



DEPARTMENT of the INTERIOR

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HODEL ANNOUNCES PROPOSED FY 1988 BUDGET FOR INTERIOR

Secretary of the Interior Don Hodel today announced an FY 1988 budget that "supports the President's goals of providing a better quality life through a stronger, more productive America.

"We have made decisions in the budget that emphasize our goal of maintaining or improving the multitude of Interior agency facilities and services used by the public while continuing to meet the budget limitations under the Gramm-Rudman-Hollings Act.

"Interior's budget focuses on the protection of our existing resources," Hodel said. "Continued emphasis is given to operation of national parks and to development of energy and mineral resources. Among the several management efficiencies proposed in the budget are major efforts to strengthen enforcement of the surface mining laws, to improve oversight of the Department's revenue collection and regulatory activities, and to provide ready access by the public to our land and mineral records through automation. The budget also highlights significant new initiatives for American Indians and for the completion of water resource projects."

The FY 1988 budget totals \$6.3 billion, \$1 million less than the current 1987 estimate, and is consistent with this Administration's past budget priorities. To help meet the government-wide Gramm-Rudman-Hollings target for FY 1988 and bring FY 1987 more in line with FY 1986 and the proposed FY 1988 activities, \$303 million in rescissions are proposed in FY 1987.

"National parks, recreation areas and other public lands, which will host over 465 million visitors this year, will have operating levels at or above current funding estimates," Hodel said. "The high quality visitor experience which Americans have come to expect will not be allowed to diminish. Many areas actually will see significant improvement. No national parks, wildlife refuges, fish hatcheries, recreation areas or historic sites will be closed or have their operating hours reduced." Legislation was passed in FY 1987 which permitted a one-time increase in park entrance fees and permanent increases in wildlife refuges fees. These in turn allowed increases for operations and maintenance. Permanent authorizing legislation is being proposed for FY 1988 to increase or institute modest entry fees at

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generated will result in an overall increase in funds for park operations.

Within an overall funding increase for construction of water resource projects by the Bureau of Reclamation, the Administration is proposing that budget resources be focused on completing projects substantially underway or on meeting more critical needs, such as safety of dams. Conversely, funding is limited or postponed for some projects in the early stages of construction. No projects are being abandoned.

"Over the years, there has been a tendency to continue work on more projects than the limited funding would properly support in any single year. This has resulted in construction delays and stretched-out completion dates, making these projects more costly in the long run and inordinately delaying the important benefits they can provide," Hodel said. "This Administration has attempted to provide adequate funding to maintain efficient and cost-effective completion schedules on as many projects as possible and stay within the deficit reduction goals. In FY 1988, funding again will not be sufficient to maintain all projects on schedule, notwithstanding a \$98 million increase over the FY 1987 construction level. Consequently, we propose to fund construction projects selectively to complete them on a more efficient schedule and deliver on their promised benefits. We will allocate a larger share of total resources to some projects in order to maintain or accelerate completion dates. Construction funding for others will be correspondingly postponed.

We also are postponing planning studies for projects which have little chance to receive construction funding in the foreseeable future. In later years, as funds become available, funding will be applied to resume efficient construction on postponed projects and to renew worthwhile planning studies which have been delayed."

As part of an Administration initiative, revenue of \$154 million is estimated from the sale of Bureau of Reclamation loans in FY 1988. The loans to be sold to the private sector include completed loans to irrigation districts and other public agencies for construction of distribution systems on authorized federal reclamation projects and to non-federal agencies for construction of small water resource projects. Another asset proposed for sale is the government's helium refining and distribution facilities operated by the Bureau of Mines in Amarillo, Texas; Satanta, Kansas; and Keyes, Oklahoma. Legislation which authorized federal helium refining and distribution facilities was intended to ensure that federal agency needs for this lightweight gas were met. Today, the United States has a sizable helium industry that has this capability. The government's helium inventory will be retained for federal agency use and the Bureau will retain its helium resource assessment activities. Revenue from the sale is estimated to be \$50 million.

Although there will be no budget impact in FY 1988, the Bureau of Indian Affairs (BIA) will undertake a series of initiatives to provide incentives and opportunities for self-improvement of both tribes and individuals. Assistant Secretary Ross Swimmer will undertake four major initiatives, including: localizing education decisions and policies to promote greater association with local public education systems; promoting tribal and individual incentives for welfare reform, such as education and

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jobs; stimulating economic development through increased job training and investment opportunities, and; seeking to control drug and alcohol abuse through emphasis on motivation and rehabilitation. "Our ultimate goal is to continue to support self-determination and Indian cultural values while the BIA moves from the role of a 'provider' to one of an 'enabler,'" Hodel said.

Funds for the Dingell-Johnson Federal Aid in Fish Restoration Act will increase dramatically, primarily because of revised estimates of motor boat fuel taxes. For FY 1988, the increase will be \$33 million, to a level of \$174 million or 457 percent of the FY 1985 level. "The increase in program responsibilities is not supportable in view of the amount of the increase in just three years since FY 85, particularly when compared to maintenance or modest increases in surrounding programs," Hodel said. The budget calls for a one-time transfer of \$25 million of this additional new money into the U.S. Fish and Wildlife Service's basic operating account for program responsibilities related to wildlife and fisheries. The transfer will still allow a substantial increase in funds to states for sport fishery restoration.

Included in the budget is an increase for additional park police and improved facilities and equipment for enforcement personnel. Continued high priority also is given for the investigation and research of environmental contaminants and their impact on wildlife and water resources.

While funds will be available in FY 1988 for the acquisition of wetlands, other land acquisition funding would be limited to emergency situations. Also consistent with past budgets proposed by this Administration, reduced construction expenditures are proposed for parks, wildlife refuges and Indian reservations although funding is included for high priority dam safety projects. No funds are requested for state grants for recreation and historic preservation programs, endangered species, and anadromous fish.

The budget proposes that the costs of administering federal mineral leasing programs be shared equally with the states before receipt payments are made to them. "The philosophy of sharing with the states is sound, but placing the entire cost of collection on one party, the federal government, is not," Hodel said. Under current law, states receive 50 percent (Alaska - 90 percent) of all receipts derived from minerals on public lands without incurring any of the costs of producing these receipts. Full funding is proposed in the Bureau of Land Management for payments in lieu of taxes to states and counties.

The Interior Department is one of the federal government's largest producers of revenue. Total receipts in FY 1988 are estimated to be \$6.5 billion, of which \$3.09 billion will come from mineral leasing on the Outer Continental Shelf and \$1.05 billion from mineral leasing onshore.

PRESS CONTACTS FOR FURTHER INFORMATION REGARDING INTERIOR'S FY 1988 BUDGET

(Area codes need not be used from Washington, D.C., unless indicated below)

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**DEPARTMENT OF THE INTERIOR
1988 BUDGET SUMMARY**

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DEPARTMENT OF THE INTERIOR

1988 BUDGET SUMMARY

INTRODUCTION

On March 3, 1849, the Congress created the Department of the Interior to administer the Federal government's internal affairs responsibilities. The Department has evolved into the Nation's principal conservation agency and oversees the Nation's public lands and many of its natural resources. The Department serves people in all 50 States and has a major responsibility for American Indians, Alaska Natives and residents of island territories under the administration of the United States.

The mission of the Interior Department is to encourage and provide for the appropriate preservation, development, and management of this Nation's public lands and natural resources for use and enjoyment now and in the future and to carry out the trust responsibilities of the United States government.

The mission is carried out within the budgetary framework proposed annually to the Congress by the President and the Secretary of the Interior. The measures in this budget are reflective of the Department's continuing commitment to ensure that the Nation's public lands and natural resources are wisely used and protected for the economic and environmental well-being of the Nation and that essential services to the public are maintained. The Department's 1988 budget is consistent with the President's efforts to reduce the Federal deficit in accordance with the Gramm-Rudman-Hollings Deficit Reduction Act while maintaining the integrity of essential operating programs and the priorities of this Administration.

The 1988 Interior Department budget totals \$6.3 billion in budget authority, a decrease of \$1 million from the current 1987 estimate. Outlays in 1988 are estimated to be \$6.3 billion, a \$660 million reduction below the 1987 estimate of \$6.9 billion.

Total receipts resulting from activities of the Department are estimated to be \$6.5 billion in 1988, \$325 million below the current estimate for 1987. Of the \$6.5 billion in 1988 receipts, \$1.9 billion offsets the total budget authority request (\$6.3 billion), resulting in net budget authority of \$4.4 billion.

Usage and Terminology

All years referenced are fiscal years and amounts presented reflect budget authority unless otherwise specified. Numbers in tables may not add to totals because of rounding. Numbers shown in parentheses in tables indicate a decrease. Bracketed numbers in tables are shown for information and are not added to totals.

Unless otherwise indicated, amounts shown as 1987 estimates reflect enacted 1987 appropriations adjusted by addition of proposed supplemental appropriations and transfers from other accounts and subtraction of proposed rescissions and transfers to other accounts.

Amounts shown as 1988 estimates are the amounts requested in the President's budget, including amounts for which new authorizing legislation is needed, and amounts estimated to be available in 1988 as a result of legislation providing permanent spending authority.

References to 1987 appropriations are to amounts appropriated in the FY 1987 Interior and Related Agencies Appropriations Act and the FY 1987 Energy and Water Development Appropriations Act as included in P.L. 99-500 and P.L. 99-591, and, unless otherwise indicated, legislation providing permanent spending authority.

References to the current services estimates are to the amount of budget authority and outlays that would be included in the budget if all programs and activities were carried on at the same level as provided by 1987 appropriations and without policy changes in such programs and activities.

Department of the Interior

Budget Authority, Outlays and Receipts for 1986, 1987, and 1988

(In millions of dollars)

	FY 1986 <u>Actual</u>	FY 1987 <u>a/</u> <u>Estimate</u>	FY 1988 <u>Estimate</u>	Change FY 1988 - FY 1987
<u>Budget Authority</u>				
Funds subject to annual appropriation	4,947	4,840	4,813	(27)
Permanents, trusts and others	<u>1,291</u>	<u>1,508</u>	<u>1,533</u>	<u>25</u>
Total	<u>6,238</u>	<u>6,347</u>	<u>6,346</u>	<u>(1)</u>
<u>Outlays</u>				
Funds subject to annual appropriation	5,254	5,479	4,805	(674)
Permanents, trusts and others	<u>1,165</u>	<u>1,463</u>	<u>1,477</u>	<u>14</u>
Total	<u>6,419</u>	<u>6,942</u>	<u>6,282</u>	<u>(660)</u>
<u>Receipts</u>				
Outer Continental Shelf (OCS)	2,831	2,616	3,092	476
OCS Escrow	2,956	2,188	1,198	(990)
On-shore Mineral Leasing	988	963	1,051	88
Other Receipts	<u>877</u>	<u>1,044</u>	<u>1,145</u>	<u>101</u>
Total	<u>7,652</u>	<u>6,811</u>	<u>6,486</u>	<u>(325)</u>

a/ Includes appropriations enacted to date, and proposed supplementals and rescissions.

MAJOR BUDGET CHANGES IN 1988

The 1988 budget for the Department of the Interior provides sufficient funding to meet the Department's many and varied operating priorities, while contributing to reduction of the deficit. Together with the other components of the President's budget, the Department's requested budget of \$6.346 billion will achieve the 1988 deficit target established by P.L. 99-177, the Gramm-Rudman-Hollings Balanced Budget and Emergency Deficit Control Act. To meet the target, the budget also proposes net reductions (including rescission proposals partially offset by supplemental requests) of \$280 million below the 1987 enacted level.

The Department's budget includes four significant proposals which emphasize efficient use of available resources to meet major Departmental objectives.

Bureau of Reclamation

The budget requests new funding of \$700.2 million for Bureau of Reclamation construction projects, an increase of \$98 million over the 1987 estimate. The increase is required to finance features of projects in which the Federal government has a major commitment. Increased funding is also provided to meet increased pay and retirement costs. At the same time, the request reflects a major new policy shift aimed at completing construction projects substantially underway while postponing or constraining funds for projects in the earlier stages of construction. Historically, numerous projects have competed for limited funds, thus stretching out completion dates on many of them. In order to help achieve the Gramm-Rudman-Hollings deficit elimination goal by 1991, the Bureau's budget will remain restrained in future years. Such restraints will not permit funding levels sufficient to keep all projects on the most efficient schedules. Rather than uniformly reduce the funding for all projects or terminate projects in which there have already been a substantial Federal financial investment, the Bureau has reviewed its entire construction program to identify those projects or features of projects that can be brought to completion more expeditiously. In 1988, the Bureau is proposing to concentrate its resources to expedite construction of certain projects while decreasing or postponing funding for others. As work is completed on an expedited basis, the Bureau plans to return in the future to projects that have been curtailed earlier.

As a result of this effort, the Bureau will be able to complete more projects or major features than would have been possible if available funding had been distributed to all projects, regardless of their relative stage of completion. Within this framework, projected Central Arizona Project (CAP) funding for 1989-1992 is adequate to meet construction schedules established in the cost sharing agreement for Plan 6 agreed to by the Secretary. In addition, projected Central Utah Project (CUP) funding for 1989-1992 is sufficient to maintain the CUP on schedule.

The budget proposes \$11.6 million for the General Investigations Program (planning and research), a decrease of \$17.8 million from the 1987 appropriation, in order to begin reducing the number of water projects competing for limited construction funding. The Department does not wish to compound existing construction project funding difficulties by planning for additional projects which would then compete for limited resources. Implementation of the 1988 budget reduction requires elimination of some studies and research in 1987 and reductions in staffing.

The request for the Bureau's Loan Program in 1988 is \$28.8 million, a decrease of \$8.7 million from the current 1987 estimate. The budget request for loans has been decreased to provide additional resources for projects substantially underway in the Construction Program. The Administration also proposes to sell the existing loan portfolio of this program as part of its government-wide asset sales initiative. Revenue from this sale, estimated to be \$154 million, will help meet the 1988 deficit reduction target.

Sport Fish Restoration Transfer to Resource Management

For 1988, receipts from taxes authorized for the Dingell-Johnson Federal Aid in Sport Fish Restoration program (DJ) are estimated to continue to increase sharply to \$174 million, an increase of \$33 million over the 1987 level of \$141 million; \$52 million over the 1986 level of \$122 million; and \$136 million over the 1985 level of \$38 million. The increases have been due to the Wallop-Breaux amendments and, more recently, a re-estimate of the amount of fuel taxes paid by motor boat users.

Because of the large increases, the budget proposes that the Fish and Wildlife Service, in 1988 only, transfer \$25 million in DJ receipts to its basic operating account for program responsibilities related to wildlife and fisheries. This transfer would leave \$149 million for DJ, an increase of \$8 million over the \$141 million in 1987.

Incentives for American Indians

The 1988 budget for the Bureau of Indian Affairs (BIA) proposes several changes in bureau programs to provide incentives and opportunities for the self-improvement of Indians. The budget includes initiatives in the areas of education, economic development, welfare reform, jobs and training, and self-sufficiency for small tribes.

During 1988 the BIA will begin a concerted effort to gradually turn over operation of all remaining Federal Indian schools to tribal or local public school systems in order to localize decisions and policies. The Bureau intends to retain oversight of the academic progress of these students, and to ensure that they have the opportunity to follow their cultural traditions. The Bureau is now looking at multiple options which include contracting with tribes or States, cooperative efforts among public, tribal and Federal schools, and possibly voucher systems in certain situations. All of these options will be explored for the remaining BIA-funded schools, whose students comprise about 10 percent of all Indian students.

The Bureau, through its on-going programs, will emphasize economic development by encouraging investment opportunities and job creation. However, for economic development to occur on Indian reservations, there must be a skilled and motivated workforce. To this end, the Bureau proposes to implement in 1988 a nation-wide program aimed at enabling Indian individuals to achieve sustained and meaningful work, financial advancement and skill development while, at the same time, meeting many of their welfare needs. It is proposed to coordinate operation of the Housing Improvement, General Assistance, and Employment Assistance programs without fundamentally altering the present mission of any of the programs by redirecting them in a manner that encourages and enables self-assistance by Indian individuals. This proposed initiative will also accommodate tribal government efforts to benefit from their reservation workforce.

Finally the Bureau is proposing an initiative to provide tribes additional means by which to augment self-determination. One effort will provide eligible small tribes with greater financial support to improve basic governmental functions. The second effort will provide specialized technical assistance to tribes whose continued existence as governments is threatened by critical conditions of indebtedness and related financial management problems. These efforts are intended to enable tribes to achieve and maintain self-sufficiency.

Sharing of Net Receipts with States and Counties

The budget proposes that, beginning in 1988, the Federal costs of managing and administering onshore mineral leasing be deducted from total revenues and that receipts shared with the states be based on the resulting net amount. Currently, state shares (50 percent for all states except Alaska) are computed on a gross basis without taking account of the costs of obtaining and distributing these receipts, which are now borne entirely by the Federal government.

Under this proposal, which requires legislative approval, revenues from the on-shore minerals program will provide the states with \$390.2 million in 1988. This will be a decrease of \$55.0 million from the amount that the states would receive under current law. The estimated 1988 distribution by state is shown in Table F.

Net receipts sharing is also proposed to be applied to timber receipts from the former Oregon and California (O&C) Railroad grant lands. Net receipts sharing will reduce estimated 1988 payments to the O&C counties in Oregon from \$71.4 million to \$42.9 million, a reduction of \$28.5 million.

OTHER SIGNIFICANT BUDGET PROPOSALS

Aside from the preceding proposals, the main thrust of the 1987 budget is to maintain operating levels of essential programs. The following is a discussion of other significant items in the budget, both increases and decreases from the 1987 estimate.

National Park Service Recreation Fees

The 1987 Interior and Related Agencies Appropriations Act authorized the Secretary to establish and increase entrance fees to most units of the System for a one year period. This action temporarily eliminated a freeze on entrance fees enacted in 1979 and permitted the first fee increases since 1972. For 1988, the Administration is proposing legislation that would provide permanent authority for an expanded entrance fee program.

Proposed changes from the 1987 entrance fee program include: authorizing the National Park Service to retain all recreation fees collected to supplement appropriations for operations and other programs; increasing the price of the Golden Eagle Passport from \$25 to \$40; raising the maximum single visit entrance fee from \$5 to \$10 per vehicle; and establishing a lifetime fee of \$10 for the Golden Age Passport.

Under the proposed program, receipts from entrance and user fees are estimated to increase from \$52.8 million in 1987 to \$74.3 million in 1988. Total funding for Operation of the National Park System would increase \$31.4 million from the 1987 current estimate to \$714.8 million in 1988, the highest funding level ever for this account.

Migratory Bird Conservation Account

Permanent appropriations in the Migratory Bird Conservation Account (MBCA) of the Fish and Wildlife Service will be more than double what they were in 1986 and will be used to acquire high priority wetlands. Total estimated receipts in the MBCA are expected to be \$37.6 million in 1988, an increase of \$11.1 million over 1987. These increases result from several factors beginning in 1987. Based on the recently enacted Emergency Wetlands Resources Act, a full year of admission fees and user fees at designated national wildlife refuges will be collected in 1988, of which 70 percent will be deposited in the MBCA for an increase of \$3.5 million over 1987. The Act also provides for the deposit of import duties from arms and ammunition into the MBCA, an increase of \$5 million over 1987. An increase of \$2.6 million is also projected, chiefly due to the price of duck stamps being raised to \$10 by the Act.

Sale of Federal Helium Operations

The 1988 budget proposes to sell to private industry all Bureau of Mines helium facilities and assets except the helium inventory, which will be retained for Federal agency use.

For many years, there was no domestic helium industry in the United States, and the Bureau of Mines operated facilities to supply the Federal government's needs for this lightweight gas. Now, however, there is a sizable domestic helium industry that has the capability to supply Federal as well as private requirements. Since the Bureau's helium activity has always been operated as a quasi-commercial enterprise and since these functions are not inherently governmental, the helium program represents an asset of the Federal government that can be operated by the private sector, which can manage such activities profitably and efficiently.

Under the 1988 budget proposal, the Federal government will sell to the successful private sector bidder the helium refining and distribution facilities currently owned by the government. The operator will then provide for Federal agency helium needs by withdrawing Federally owned helium from existing reserves. All revenues from the sale of the helium asset, estimated to be \$50 million, and any future revenues will go to the General Fund of the Treasury.

The legislative proposal to be forwarded to the Congress assumes that the existing debt to the Treasury, approximately \$1 billion which originally financed the acquisition of the helium reserve, plant, and equipment, will be forgiven. The Bureau of Mines will continue to conduct helium resource assessment activities under its Mineral Data Analysis Program.

Funding for Pay Raise and Retirement Costs

The budget requests a total of \$65.8 million for 1988 costs related to the January 1987 Federal pay raise of 3 percent. The 1987 costs of \$47.3 million will be absorbed in most accounts within existing appropriations. As needed, reprogramming proposals to this effect will be submitted to the Congressional appropriations committees.

The budget also includes \$124.9 million for the 1988 costs of the new Federal Employee Retirement System authorized by P.L. 99-335. The Department used standard assumptions which were applied throughout the government on the numbers of employees who will participate in the new system. The 1987 costs, estimated at \$34.6 million, will be absorbed in the same manner as pay raise costs.

Land Acquisition

Except for \$37.6 million of wetlands acquisitions discussed earlier, the budget limits to \$17.6 million the request for new appropriations for land acquisition in 1988. This is consistent with past Administration policy and addresses overall deficit reduction goals. The budget seeks \$16.0 million for the National Park Service to fund administration of prior year recreation grants and to pay for emergency and hardship acquisitions, anticipated deficiency court awards, and administrative expenses.

The budget also requests that \$1.6 million be appropriated to fund administration of on-going Fish and Wildlife Service acquisitions. This request will be supplemented, however, by the \$37.6 million in receipts for wetlands acquisition.

The \$17.6 million 1988 land acquisition request is a reduction of \$118.2 million compared to the 1987 appropriation. It will be a reduction of \$24.4 million from the current 1987 estimate, which reflects rescissions which are more fully described in a later section of this Overview. Because a large number of acquisitions have been funded over the past five years, the Department believes that land acquisition expenditures can be deferred without impairing the primary missions of the the National Park Service and the Fish and Wildlife Service. From 1982 through 1986, the National Park Service spent over \$448 million to acquire 146,000 acres of park land. The Fish and Wildlife Service, during the same period, acquired 305,332 acres of refuge lands and 176,303 acres of migratory bird habitat at a cost of \$303 million derived from the Land and Water Conservation Fund and the Migratory Bird Conservation account. During 1987, \$42.0 million in new appropriations from the Land and Water Conservation Fund and \$33.5 million in new Migratory Bird Conservation funds will be available for land acquisition.

Other Construction

The Department has invested over \$1.5 billion in non-Reclamation construction since FY 1982. Given this large investment and the need to meet deficit reduction goals, the 1988 request for construction programs, other than those in the Bureau of Reclamation, is \$105.7 million, a reduction of \$5.2 million from the current estimate, which reflects proposed rescissions of \$106.6 million described in a later section of this Overview. The 1988 request is \$111.8 million less than the 1987 appropriations level.

Construction funding for the National Park Service will increase \$1.9 million over the current 1987 estimate to \$31.0 million in 1988. The 1988 amount will fund 11 projects in 10 parks, all of which will address health, safety or resource protection objectives.

Bureau of Indian Affairs construction funding of \$57.9 million in 1988 is a \$7.9 million reduction from the 1987 estimate of \$65.8 million. The emphasis in BIA construction in 1988 will be on improvements and repairs to existing schools, repair of existing Indian housing, and rehabilitation of hazardous dams.

The Fish and Wildlife Service construction program increases by \$5.4 million over the 1987 estimate, which reflects a proposed rescission of \$23.2 million.

Construction in the territories will decrease by \$4.6 million from the 1987 estimate.

Territories

Continued phase-down of the Trust Territory government in light of the implementation of the Compact of Free Association is reflected in the 1988 budget estimate for Territorial and International Affairs. Implementation of the Compact of Free Association for the Republic of the Marshall Islands and the Federated States of Micronesia (FSM) began during 1987. The budget includes \$27.9 million for continuation of certain mandated Federal programs and services for the FSM and Marshall Islands. This represents an increase of \$25.7 million from the 1987 current estimate for these programs and services. All other Compact funding was permanently appropriated in 1986. In 1988 permanently appropriated funds for the Compact will increase by \$42.2 million, from \$74.1 million in 1987 to \$116.4 million. Funding for the Republic of Palau of \$10.8 million continues under the auspices of the Trust Territory of the Pacific Islands until such time as the Compact of Free Association for Palau is approved by the required 75 percent majority of Palau voters.

The 1988 budget proposes a \$13.8 million decrease for the Administration of Territories appropriation. This decrease will be accomplished through reduced construction grants to Guam, the Virgin Islands, and American Samoa, and through reduced operations and covenant grants to American Samoa and the Northern Mariana Islands. The budget proposal will allow for funding of essential projects and services while continuing the Administration's policy of encouraging private sector development and greater local economic self-sufficiency.

ANNUAL VERSUS PERMANENT AUTHORITY

The 1988 budget request includes \$4.8 billion subject to annual appropriation and \$1.5 billion of permanent spending authority. The permanent spending authority becomes available without further action by the Congress as a result of existing legislation. These funds include amounts such as "miscellaneous permanent appropriations", "contributed funds", and "trust funds". Included in the permanent category are payments to states from grazing and mineral leasing receipts, wildlife and sport fish restoration payments to states, and certain payments to Indian tribes and territorial governments, including a portion of the funds under the Compact of Free Association. Many of these permanent appropriations are based on revenue generating activities.

The 1988 request for annual appropriations of \$3.864 billion to the Interior and Related Agencies Appropriations Subcommittees (all Department appropriations except those for the Bureau of Reclamation) is a decrease of \$108 million from the current 1987 estimate, which reflects requested 1987 supplemental appropriations of \$23.0 million, and proposed rescissions of current budget authority totalling \$272.7 million.

For the Bureau of Reclamation, the 1988 request for annual appropriations of \$949.1 million to the Energy and Water Development Appropriations Subcommittees is an increase of \$81.5 million over the 1987 appropriation and estimate.

The 1988 estimate for permanent appropriations of \$1.5 billion reflects an increase of \$25.3 million over the 1987 estimate for permanent appropriations.

STAFFING

The 1988 budget includes a full-time equivalent (FTE) staffing level of 70,400, a reduction of 950 FTEs from the 1987 level. The reductions are distributed fairly evenly among all Interior bureaus and offices and in general reflect the lower level of funding proposed in the budget. See Table E for additional details.

	<u>FY 1986</u>	<u>FY 1987</u>	<u>FY 1988</u>
Full-time Equivalents	70,656	71,350	70,400

RECEIPTS

Fiscal year 1988 Interior receipts are expected to total \$6.5 billion, a decrease of \$0.3 billion compared to 1987. This estimated decrease occurs primarily because of an assumed reduction of \$1 billion in principal and interest released from Outer Continental Shelf (OCS) escrow accounts from 1987 to 1988. About \$2.2 billion has been released from escrow in 1987 for leases off the coast of Louisiana under the settlement enacted in the 1986 Budget Reconciliation Act. The escrow release estimated for 1988 assumes a favorable Supreme Court decision on the location of the Federal/state boundary off the coast of Alaska permitting the release of the Section 7 escrow funds (\$1.2 billion including interest).

Interior receipts from most other sources are expected to increase from 1987 to 1988. Estimated receipts from OCS rents and bonuses and royalties are expected to be \$3.1 billion, an increase of \$0.5 billion over the current estimate for 1987. OCS bonus estimates are based on the proposed five-year leasing schedule, with two California sales now scheduled for 1989.

Onshore mineral leasing revenues are projected to be \$1.1 billion or \$0.1 billion more than the 1987 estimate. All other offsetting receipts are estimated at \$0.9 billion in 1988, or about \$0.1 billion more than 1987; and all other non-offsetting receipts are projected at \$0.3 billion, about the same as 1987.

Additional details on receipt estimates are included in Table B.

MANAGEMENT IMPROVEMENT

The Department has carried out and is actively pursuing a wide range of initiatives aimed at improving the efficiency and effectiveness of its operations, organizations and services. All bureaus of the Department participate in these initiatives which include Department-wide improvements of administrative and program functions. Savings are estimated at approximately \$30 to \$40 million by FY 1988, which will be redirected to program areas rather than used for budget reductions. Some of the Department's major management and productivity improvement initiatives include:

- o Streamlining and Consolidating Organizations - such as reorganizing the Bureau of Land Management state office in Alaska, overall streamlining of the Bureau of Reclamation, and consolidating the water quality laboratories and combining the map distribution operations of the U.S. Geological Survey.

- o Improving Operation and Maintenance - such as implementing a National Park Service Maintenance Management System, improving the Bureau of Indian Affairs facilities operations and maintenance program, and reducing costs associated with Department-wide management of motor vehicles.
- o Utilizing Automated Technology to Improve Program Delivery and Achieve Efficiencies - such as introducing computer-aided design and drafting to improve the efficiency of Bureau of Reclamation and U.S. Fish and Wildlife engineering functions and implementing management information systems in the Fish and Wildlife Service and the Office of Surface Mining and Reclamation Enforcement to improve the timeliness and accuracy of program and support activities.

CHANGES TO 1987 APPROPRIATIONS

The 1988 budget proposes changes to 1987 appropriations including supplementals of \$28.6 million of which \$5.6 million is proposed to be financed by transfer of funds, and rescissions of \$302.7 million, which include \$269.5 million from 1987 budget authority, \$3.2 million from prior year unobligated balances and \$30.0 million from contract authority.

Fire Suppression and Other Emergency Supplementals

Under existing authority the Department transferred \$16.4 million during 1986 from various accounts to help finance fire fighting and rehabilitation in the National Park Service (NPS) and Fish and Wildlife Service (FWS), and emergency equipment in the Geological Survey (GS). The budget proposes to reimburse these costs through 1987 supplemental appropriations of \$13.0 million for NPS, \$2.8 million for FWS, and \$0.6 million for the GS. Bureau of Land Management and Bureau of Indian Affairs 1986 firefighting costs were funded in the 1987 appropriations act in the amounts of \$83.0 million and \$25.0 million, respectively.

Kesterson Cleanup

The budget proposes a \$5.6 million supplemental to initiate Kesterson Reservoir and San Luis Drain cleanup activities by the Bureau of Reclamation. These costs will be financed by a transfer of \$5.6 million in unobligated balances from the Bureau's Loan Program.

Other Supplementals

Other supplemental appropriations requested for 1987 are \$2.0 million within the Geological Survey for the development of the Financial Integration Review for Management (FIRM) accounting system which has applicability throughout the Department and \$4.6 million for the U.S. Park Police to provide for increased security, additional uniformed officers, and improved facilities and equipment.

Land Acquisition Rescissions

As discussed above, 1987 budget authority for land acquisition in the amount of \$94.0 million is proposed to be rescinded in order to assist in meeting deficit reduction targets in 1988 and beyond. The amounts by bureau are: National Park Service (NPS), \$64.5 million; Fish and Wildlife Service, \$26.8 million; and Bureau of Land Management, \$2.7 million. Additional rescissions in NPS include \$3.2 million in NPS prior year unobligated balances and \$30 million in land acquisition contract authority provided by the Land and Water Conservation Fund Act.

Construction Rescissions

The budget also proposes rescissions of \$106.6 million in 1987 budget authority for construction. These rescissions will also assist in deficit reduction. The amounts by bureau are: Bureau of Land Management, \$1.6 million; Fish and Wildlife Service, \$23.2 million; National Park Service, \$59.0 million; and Bureau of Indian Affairs, \$22.8 million.

Other Rescissions

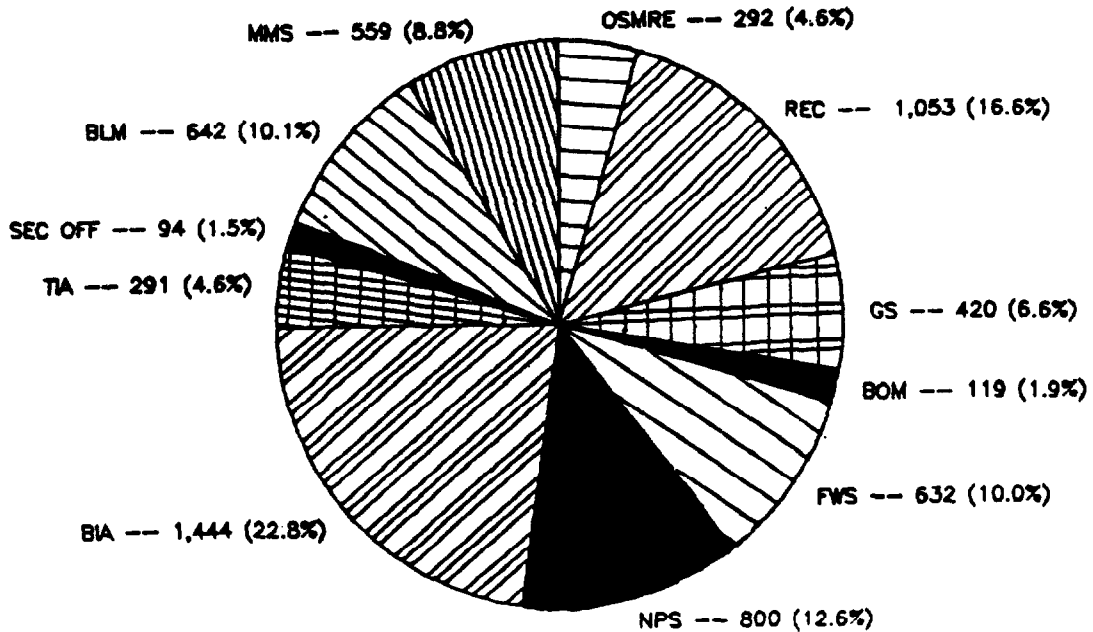
The budget requests rescissions of \$15.0 million for Historic Preservation and \$54.0 million in various bureau operating accounts. The amounts by bureau are: Bureau of Land Management, \$6.5 million; Bureau of Mines, \$16.6 million; Fish and Wildlife Service, \$20.5 million; National Park Service, \$8.0 million; Territorial and International Affairs, \$2.5 million.

BUREAU OVERVIEWS

This section summarizes the budget requests of the bureaus and major offices of the Department, comparing the FY 1988 estimate with the 1987 estimate.

The chart below depicts the budget authority for the Department, divided by bureau and office. The table on the next page shows budget authority and outlays for each bureau and office. The narrative following the table discusses the budget request for each bureau and office.

FY 1988 TOTAL BUDGET AUTHORITY
(in millions of dollars)



TOTAL BUDGET AUTHORITY AND OUTLAYS BY BUREAU/OFFICE

(in millions of dollars)

BUREAU	Budget Authority			Difference	
	FY 1986 Enacted	FY 1987 Estimate	FY 1988 Estimate	FY 1988 over FY 1987	%
Bureau of Land Management.....	654	739	642	(98)	-13%
Minerals Management Service.....	583	595	559	(36)	-6%
Office of Surface Mining.....	278	304	292	(11)	-4%
Bureau of Reclamation.....	768	953	1,053	100	10%
Geological Survey.....	412	422	420	(1)	0%
Bureau of Mines.....	128	122	119	(3)	-2%
Fish and Wildlife Service.....	638	619	632	13	2%
National Park Service.....	877	776	800	24	3%
Bureau of Indian Affairs.....	1,369	1,451	1,444	(7)	0%
Territorial and International Affairs..	484	284	291	7	2%
Office of the Secretary.....	43	44	51	7	17%
Office of the Solicitor.....	19	21	25	4	19%
Office of Inspector General.....	15	16	18	2	11%
Total, DEPARTMENT OF THE INTERIOR....	6,238	6,347	6,346	(1)	0%

BUREAU	Budget Outlays			Difference	
	FY 1986 Enacted	FY 1987 Estimate	FY 1988 Estimate	FY 1988 over FY 1987	%
Bureau of Land Management.....	648	739	649	(90)	-12%
Minerals Management Service.....	580	604	557	(47)	-8%
Office of Surface Mining.....	327	345	327	(18)	-5%
Bureau of Reclamation.....	1,050	1,007	907	(99)	-10%
Geological Survey.....	429	421	421	0	0%
Bureau of Mines.....	124	125	67	(59)	-47%
Fish and Wildlife Service.....	597	622	609	(12)	-2%
National Park Service.....	959	1,040	938	(102)	-10%
Bureau of Indian Affairs.....	1,343	1,450	1,421	(29)	-2%
Territorial and International Affairs..	261	509	291	(218)	-43%
Office of the Secretary.....	67	44	51	8	18%
Office of the Solicitor.....	20	21	25	4	19%
Office of Inspector General.....	15	17	18	2	9%
Total, DEPARTMENT OF THE INTERIOR....	6,419	6,942	6,282	(661)	-10%

BUREAU OF LAND MANAGEMENT

The Bureau of Land Management (BLM) is responsible for the appropriate multiple use management of natural resources on 270 million acres of public lands located primarily in the Western States, including 90 million acres in Alaska. BLM also has the responsibility for mineral leasing and supervision of minerals operations on an additional 300 million acres of Federal mineral estate that underlie other surface ownership.

The 1988 budget estimate for BLM is \$641.8 million, a decrease of \$108.5 million compared to the 1987 appropriation level of \$750.3 million. The 1988 estimate is a decrease of \$97.7 million from the 1987 estimate of \$739.5 million, which reflects proposed rescissions of \$10.8 million. These rescissions will save 1987 and 1988 outlays and are consistent with the budget policy of meeting the Gramm-Rudman-Hollings deficit reduction target in 1988. The 1988 estimate includes \$8.7 million for increased pay costs and \$17.4 million for costs of the Federal Employee Retirement System.

Two factors account for the major decreases from the 1987 estimate to the 1988 estimate. The 1987 appropriation included \$83.0 million to repay 1986 firefighting costs, which were initially paid with funds borrowed from other no-year accounts within the Department. No funding for emergency firefighting costs is requested in 1988. To finance these costs the Department will follow the normal practice of borrowing from other no-year accounts as authorized in the 1987 Interior and Related Agencies Appropriations Act. The proposal to share timber sale receipts from former Oregon and California (O&C) Railroad grant lands on a net, rather than a gross basis (-\$28.5 million), accounts for the other major funding decrease in 1988.

The 1988 request for Management of Lands and Resources (MLR), the Bureau's principal operating account, is \$408.0 million, a decrease of \$69.2 million from the 1987 estimate. This appropriation includes funds for energy and minerals management, lands and realty management, renewable resources management, and their supporting services programs. As noted, the largest decrease from 1987 to 1988 in the MLR appropriation is due to the provision of emergency firefighting funds in the FY 1987 appropriation.

In 1988 the BLM budget provides for significantly increased emphasis on development of the Automated Land and Mineral Record System (ALMRS) with proposed total funding of \$13.5 million within both the Lands and Data Management budget activities. The 1988 request represents an increase of \$8.6 million over the 1987 estimate for ALMRS and is a major factor in the increases requested for these activities. The increased funding will be used for accelerated data collection, for software, and for acquisition of equipment.

Also within the MLR account, \$84.0 million is requested for energy and minerals management, an increase of \$6.2 million from the 1987 estimate. The increase is mostly related to additional pay and retirement costs. Funding for the oil and gas program is continued at the 1987 level, reflecting the Department's commitment to support domestic energy exploration and development. A program increase of \$0.2 million in the mining law activity is intended to help eliminate the backlog of compliance inspections of mining operations on public lands.

An increase of \$4.3 million over the 1987 estimate is requested for the Lands and Realty Management Program, for a total 1988 request of \$45.5 million. The request reflects a portion of the ALMRS project funding increases as well as savings projected in the rights-of-way way and Alaska lands programs. The 1987 estimate includes a rescission of \$1.0 million from the Alaska Lands Program, representing a reduction in conveyances and submerged lands inventories.

Approximately \$114.1 million is requested for renewable resources management, a decrease of \$5.1 million from the 1987 estimate. This decrease will be reflected in the elimination of certain timber sale activity on public lands and low priority watershed projects, a reduction in wild horse and burro maintenance costs, and a reduction in wildlife habitat management plan development and implementation. In recreation resources and grazing management, the elimination of some one-time 1987 costs is also planned. The cadastral survey program will decrease by \$0.7 million from the 1987 estimate, which includes a proposed rescission of \$2.0 million for cadastral surveys in Alaska. An increase of \$1.7 million in 1988 is requested to improve the maintenance of facilities owned and operated by the Bureau.

Consistent with the past two budgets, a legislative proposal for the interchange of BLM and U.S. Forest Service lands will be sent to the Congress in early 1987. No funds for the interchange are requested pending Congressional authorization.

The 1988 request for operations of the Oregon and California (O&C) Railroad grant lands is \$53.9 million, a decrease of \$0.6 million from the 1987 estimate. This decrease will be accomplished through a reduced level of timber sale offerings and deferrals of projects related to lower priority wildlife, recreation and transportation maintenance efforts.

Also included in the budget is a request of \$8.5 million for range improvement work, a decrease of \$0.7 million from the 1987 estimate. This decrease is based on a policy that would fund range improvements at a level equal to 50 percent of the receipts collected from grazing on public lands. The 1988 budget includes \$105 million for Payments in Lieu of Taxes to local jurisdictions that contain Federal lands, providing full funding for this program.

The request in 1988 for obtaining access to public lands is \$1.3 million, a slight increase over the 1987 estimate. A rescission of \$1.6 million in the construction account related to the Kotzebue project is proposed for 1987. Another 1987 rescission of \$2.7 million is proposed for land acquisition for the Red Rock Recreation Area project.

BLM estimates it will collect \$215 million in offsetting receipts from timber sales, sales of lands and vegetation, grazing fees and miscellaneous other sources during 1988. As discussed earlier, beginning in 1988 timber receipts shared with O&C counties are proposed to be paid on a net revenue basis after deducting Federal management and administrative costs. This proposal, if enacted, would divide the estimated cost of producing the receipts between the counties and the Federal Government. The counties' estimated share of these costs for 1988 is \$28.5 million resulting in a total payment of \$42.9 million.

MINERALS MANAGEMENT SERVICE

The Minerals Management Service (MMS) has responsibility for collecting and accounting for royalties and other mineral revenues due from Federal and Indian leases, both onshore and offshore, as well as leasing and supervising the development of mineral resources on the Outer Continental Shelf (OCS). As one of the largest collectors of revenue for the Federal Government, MMS will account for an estimated \$5.2 billion in Federal receipts in 1988, including \$4.3 billion from OCS bonuses, interest, rentals and royalties and \$0.9 billion from onshore mineral leasing.

The 1988 estimate for MMS is \$559.2 million, a decrease of \$36.2 million compared to the 1987 appropriation and the 1987 current estimate of \$595.4 million. The 1988 estimate includes \$2.3 million for increased pay costs and \$5.1 million for costs of the new Federal Employee Retirement System.

The 1988 request for annual program operations is \$168.6 million, an increase of \$7.9 million over the 1987 estimate of \$160.7 million. Within the total 1988 request, increases of \$9.5 million, due primarily to the pay raise and retirement costs (\$7.4 million), and increased rent costs (\$1.9 million), are partially offset by program decreases of \$1.6 million. Program changes for OCS include reductions of \$0.8 million for environmental studies, \$3.1 million for geological and geophysical data acquisition, \$0.4 million for decreased activity in oil and gas leasing and \$0.1 million for savings from a consolidation of headquarters offices. These are offset in part by an increase of \$0.3 million to fund a joint data collection effort for Alaska boundary determinations.

For the Royalty Management Program, program changes result in a total increase of \$2.8 million. These increases all relate to enhancing MMS's ability to increase mineral revenue collections, thus resulting in a net increase of revenue to the Federal Treasury. In the general administration area, a decrease of \$1.0 million from one-time costs and annual savings relating to the headquarters office consolidation are offset partially by increases to process appeals and upgrade obsolete equipment.

The 1988 estimate of \$390.2 million for payments to states includes the proposal discussed earlier that net, rather than gross, receipts from mineral leasing revenues be shared with the states. Net receipts are derived by deducting the Federal management and administrative costs of raising these revenues. Currently, most states receive 50 percent of these revenues without deduction of any of the Federal costs incurred to produce the revenues. Our sharing of net receipts proposal, which requires legislative approval, would save the Federal government an estimated \$55.0 million in 1988.

The 1988 estimate includes \$0.8 million in miscellaneous payments for: (1) interest on late payments to states and Indian accounts when mineral leasing revenues are not distributed as quickly as required by law; (2) interest payments to industry payors who successfully appeal royalty payment orders and are refunded all or part of the principal paid to and held by the Government; and (3) rewards to persons who provide information to the Government which results in the collection of additional mineral revenues owed to the Government.

OFFICE OF SURFACE MINING RECLAMATION AND ENFORCEMENT

The Office of Surface Mining Reclamation and Enforcement (OSMRE) administers programs for the regulation of coal mining operations to protect the environment and for reclaiming lands damaged by past mining activity. OSMRE reviews, monitors, and assists state regulatory and reclamation programs to accomplish these objectives and carries out regulatory and reclamation activities in states that do not have their own programs and on Federal and tribal lands.

The 1988 budget estimate for OSMRE is \$292.4 million, a decrease of \$11.3 million compared to the 1987 appropriation. The 1988 estimate includes \$1.2 million for increased pay costs and \$2.6 million for costs of the new Federal Employee Retirement System. Within the total funds available in 1987, a transfer of \$1.3 million from the Abandoned Mine Reclamation Fund is proposed to cover increased 1987 pay and retirement costs in the Regulation and Technology appropriation.

The 1988 request for the Regulation and Technology appropriation is \$105.6 million, an increase of \$4.3 million over the 1987 estimate. This increase will enable OSMRE to increase its technical support and oversight of state regulatory programs and improve its Federal enforcement capability. Major increases include \$1.0 million for regulatory program operations to enable the bureau to conduct the oversight necessary to assess expanded state regulatory responsibility for implementing the Applicant Violator System (AVS), and \$2.8 million for OSMRE to maintain and expand the AVS. OSMRE must update its data processing system so that permit applicants are checked against state operators with outstanding violations. The AVS will incorporate state data to assist OSMRE in ensuring that such violators do not receive new mining permits.

The 1988 budget includes a \$2.3 million increase for automatic data processing (ADP) development and systems support. When combined with the requested increase of \$1.1 million in the Abandoned Mine Reclamation Fund for the same purpose, OSMRE is proposing to devote \$3.4 million for the development of an integrated computerized support system that links both regulatory and reclamation information. This network, known as the Coal Data Management Information System (CDMIS), will merge the existing collections management information system, the abandoned mine land fee collection system, and the AVS into a common database which will enable OSMRE to conduct its enforcement, fee collection, and financial management operations with greater efficiency and effectiveness.

The 1988 request for the Abandoned Mine Reclamation (AML) Fund is \$186.8 million, a decrease of \$15.6 million from the 1987 estimate. The request includes \$150.7 million for non-matching state reclamation grants, which is a decrease of \$9.9 million from the estimated 1987 level. The decrease is being proposed since a considerable amount of funding previously awarded to states is unobligated and thus remains available for reclamation projects. The 1988 proposed funding level will provide full administrative support for the states and allow them to initiate new land reclamation projects.

Consistent with previous requests, the budget reflects a decrease for the Rural Abandoned Mine Program (RAMP) administered by the Soil Conservation Service of the Department of Agriculture. The \$0.5 million requested for RAMP is a reduction of \$8.9 million from the current estimate and is sufficient to complete existing projects.

Fee compliance will increase by \$2.1 million to a 1988 program level of \$5.6 million. This increase will help to continue implementation of OSMRE's fee compliance auditing priorities and to assure effective use of AML fee data in the AVS. The auditing priorities will enable OSMRE to direct greater attention toward operators that owe significant amounts of AML fees.

A final budgetary proposal is appropriations bill language which would allow OSMRE to use monies collected from the imposition of civil penalties under the Surface Mining Act for the reclamation of lands currently ineligible for AML funding. Existing statutes require that civil penalties collected from violations occurring on lands mined after passage of the Surface Mining Act be deposited into the General Fund of the Treasury. The new language proposes that these collections, which are estimated to be \$3.0 million in 1988, be applied toward the restoration of lands which were mined after passage of the Surface Mining Act in 1977 and are unreclaimed because of insufficient bonding or bond forfeiture. Since the civil penalties are collected due to violations of the Act that occurred after 1977, the Department believes their use to restore lands mined since 1977 is appropriate.

BUREAU OF RECLAMATION

The Bureau of Reclamation plans, develops, and operates water resource projects in the 17 western states. The purpose of these programs is to provide irrigation water service, municipal and industrial water supplies, hydroelectric power generation, and outdoor recreation and flood control to help stabilize and stimulate local and regional economies. Projects also contribute to environmental protection through water quality improvement and fish and wildlife enhancement features.

The 1988 budget estimate for the Bureau is \$1.053 billion, an increase of \$99.7 million compared to the 1987 appropriation and 1987 current estimate of \$953.5 million. The 1988 estimate includes \$8.2 million for increased pay costs and \$17.1 million for costs of the new Federal Employee Retirement System.

As discussed earlier, in 1988 the Bureau will concentrate its financial resources on construction projects and planning studies that are substantially underway while constraining funding for planning of new projects and for projects further from completion. This approach will establish a more efficient schedule for completion of many projects and will allow available funding in future years to be applied to postponed projects and planning studies.

The 1988 request for the Construction Program is \$700.2 million, a \$98 million increase above the 1987 current estimate. This request provides for construction activities on 58 projects. In accordance with the policy set forth above, the Central Arizona Project (CAP) will be funded at \$275.8 million, an increase of \$69.6 million, the Bonneville Unit of the Central Utah Project (CUP) will be funded at \$135.3 million, an increase of \$46.9 million and the Safety of Dams Program at \$55.9 million, an increase of \$19.3 million over current 1987 levels. The concentration of resources on these and other projects will of necessity result in decreased funding for other projects even though the total construction request is \$98 million over the 1987 estimate.

The 1988 request for General Investigations is \$11.6 million, a \$17.8 million decrease from the 1987 current estimate of \$29.4 million. This reduction supports the policy of concentrating available resources on projects substantially underway. No funds are proposed for initiating new planning studies. Our recommendations for the planning program are intended to effect earlier completion of those studies currently well underway, coordination of planning studies with the funding levels and capabilities within the Construction Program, and consistency with non-federal cost sharing goals related to planning and construction.

The request for the Loan Program in 1988 is \$28.8 million, a decrease of \$8.7 million from the 1987 current estimate of \$37.5 million. The budget request for loans has been decreased to provide additional resources to the Construction Program for projects substantially underway. Work will continue on 11 projects, 7 of which will be completed in 1988. No new loan starts are proposed in 1988. The Administration proposes to sell the portfolio of all completed loans as part of its government-wide asset sales initiative. This sale is estimated to result in revenue of \$154 million in 1988, thus favorably affecting the Federal deficit.

The 1988 request for Operation and Maintenance is \$154.3 million, a \$14.3 million increase above the 1987 current estimate, for activities on 36 reclamation projects, as well as the Bureau's associated water resources management activities. The proposed level of funding will provide sufficient resources for a reliable operation and preventative maintenance program which is essential as Bureau facilities become older.

The budget request includes \$53.3 million, an increase of \$2.1 million over the 1987 current estimate, for General Administrative Expenses. The request for the Emergency Fund is \$1 million, the same amount appropriated in 1987. An amount of \$287,000 is required for permanent appropriations. The budget projects that non-Federal contributions to Reclamation Trust Funds will increase by \$13 million to \$48 million, reflecting increased cost sharing for planning and construction of projects. In addition, the Bureau will continue to support many of its cooperative activities through reimbursements, such as Foreign Activities Program, which now provides assistance in 12 countries.

The budget includes a 1987 supplemental request to transfer \$5.6 million from unobligated balances in the Loan Program to initiate cleanup activities at the Kesterson Reservoir and the San Luis Drain in accordance with the plan submitted to the California State Water Resources Control Board on December 1, 1986. The Bureau will be submitting substantive legislation to the Congress relating to repayment of Kesterson Reservoir and San Luis Drain studies and cleanup activities, as well as for San Joaquin Valley Drainage studies.

The Department Irrigation Drainage Program will be funded at a total of \$3.6 million with equal amounts budgeted in the Bureau of Reclamation, Fish and Wildlife Service, and Geological Survey.

GEOLOGICAL SURVEY

The major missions of the Geological Survey (GS) are to undertake research, fact finding, and mapping and to disseminate the resulting information to the public to improve upon the knowledge of the extent, distribution, and character of water and other natural resources, and the geologic processes, structure, and hazards that affect the development and use of the Nation's land and physical environment.

The 1988 budget estimate for GS is \$420.2 million, an increase of \$1.1 million compared to the 1987 appropriation of \$419.1 million. The 1988 budget estimate is a decrease of \$1.5 million from the current 1987 estimate of \$421.7 million. The 1987 current estimate reflects a supplemental request of \$2.6 million which includes \$2 million for the development of an improved financial accounting system for the Department and \$0.6 million to replenish funds which were transferred under emergency authority to replace monitoring equipment.

The 1988 budget estimate includes \$10.5 million for increased pay costs and \$21.8 million for the costs of the new Federal Employee Retirement System.

The 1988 request for the national mapping program is \$87.4 million. Within this total, funds are requested to continue support for the transition to an advanced digital cartographic system that takes advantage of emerging computer technologies. Support is continued at reduced levels for the small scale and special mapping, digital mapping, geographic information research and applications and Earth Resources Observation Systems programs. No funding is proposed for the side-looking airborne radar program because the technology has been demonstrated and applications data can be readily acquired from the private sector.

The request for geologic research and investigations is \$164.8 million. Funding is provided for essential research related to geologic hazards such as earthquakes and volcanoes, energy resources, cooperative geologic mapping, geomagnetism, and mineral resource surveys. No funds are requested for investigations of coastal erosion processes in 1988.

The 1988 request includes \$137.2 million for research and investigations to appraise the nation's water resources and to provide water data necessary to develop and manage these resources. Support for the National Water Quality Assessment Pilot Program continues for the third year. The 1988 funding level is \$4 million. Funds are included in both the Federal and Federal/State cooperatively funded data collection and analyses programs, national water data and information access, regional aquifer analyses, core program hydrologic research, and nuclear waste hydrology programs at reduced levels. Funding for the Water Resources Research Institutes and Grants Programs and associated administrative costs is also proposed.

BUREAU OF MINES

The mission of the Bureau of Mines (BOM) is to help ensure that the Nation has adequate and dependable mineral supplies for economic, security, and other needs. The Bureau collects, analyzes and publishes statistical and economic information on all phases of mineral resource development and analyzes the effects of public policy alternatives, including proposed new regulations, on mineral supply and demand. Research is conducted to improve the technology used for the extraction, processing, use, and recycling of the Nation's mineral resources at acceptable social, environmental and economic costs.

The 1988 budget estimate for the Bureau is \$119.1 million, a decrease of \$19.5 million compared to the 1987 appropriation of \$138.6 million. The 1988 estimate is a decrease of \$3.0 million from the current 1987 estimate of \$122.1 million, which reflects a proposed rescission of \$16.6 million.

The 1988 budget estimate includes funding of \$2.4 million for increased pay costs and \$5.4 million for costs of the new Federal Employee Retirement System.

The 1988 budget decrease is consistent with the Administration's past proposals and results from channeling the Bureau's unique research and analytical talents toward several current and emerging problems significantly affecting global competitiveness of the domestic mining and minerals industry while eliminating lower priority efforts. The request includes \$29.1 million for minerals information and analysis, \$70.8 million for minerals research, and \$18.8 million for general administration. Within the \$70.8 million for research, the Bureau will conduct research related to the Abandoned Mine Land Reclamation Program at a cost of \$1.9 million. This function was transferred to BOM from the Office of Surface Mining as the result of FY 1987 Congressional action.

Funding is not requested for the 32 Mineral Institutes in 1988, and \$16.6 million appropriated in 1987 for mineral research, mineral investigations, and the Mineral Institutes Program is proposed for rescission.

As outlined earlier, the Administration proposes to sell to the private sector the Bureau's helium refining and distribution facilities. Under this proposal, the buyer will provide ready access for Federal agency needs by withdrawing Federally owned helium from existing reserves. It is estimated that the sale will realize \$50 million. The existing debt to the Treasury, which financed the acquisition of the helium reserve, plant, and equipment, will be forgiven under a legislative proposal to be forwarded to the Congress and all future revenues from the sale of helium to Federal agencies will go to the Treasury. The Bureau of Mines will continue to conduct its helium resource assessment activities under the Mineral Data Analysis Program.

FISH AND WILDLIFE SERVICE

The Fish and Wildlife Service has a principal Federal responsibility to conserve, protect, and enhance fish and wildlife and their habitats. The Service manages the national wildlife refuge system of 434 units, 152 waterfowl production areas, and 58 wildlife management areas on more than 90 million acres. In addition, the Service manages 71 fish hatcheries throughout the country.

The 1988 budget estimate for the Service is \$631.8 million, a decrease of \$54.7 million compared to the 1987 appropriation of \$686.5 million. The 1988 estimate is an increase of \$13.0 million above the current 1987 estimate which reflects proposed rescissions of \$70.5 million and a fire supplemental of \$2.8 million.

The 1988 estimate includes \$4.2 million for increased pay costs and \$11.4 million for costs of the new Federal Employee Retirement System.

The 1988 request for Resource Management, the Service's principal operating account, is \$302.2 million, \$5.2 million above the 1987 current estimate which reflects a rescission of \$20.5 million. A total of \$25 million of the 1988 request for Resource Management is derived from a proposed one-time transfer of receipts from the Sport Fish Restoration Account.

Within the total 1988 funding level for Resource Management, an increase of \$1.2 million is requested for the Lower Snake River Compensation Fund to continue operational start-up at two new facilities and to begin operations at one new facility that is scheduled for completion in 1987. This increase will continue progress in restoring the anadromous fish runs of the Snake River.

The 1988 budget also requests level funding of \$21.5 million for research and monitoring activities related to the effects of contaminants on fish and wildlife resources. The resolution of existing refuge contaminant problems, as identified in specific action plans, is also being addressed. The FWS will provide funding of \$1.2 million to help identify and address irrigation drainage-induced water quality problems. To help offset these high priority Departmental responsibilities, the budget proposes several reductions including the termination of grants to States for anadromous fish, endangered species, Alaska subsistence, and a reduction to Accelerated Refuge Maintenance Management (ARMM).

Support for the refuges and wildlife activity will total \$122.1 million in 1988. Within this total, funding for ARMM totals \$3.2 million compared to \$8.8 million in 1987. This brings the five-year cumulative funding level to \$61.6 million for this long-term effort to eliminate maintenance deficiencies on national wildlife refuges. The initiative has enabled the Service to achieve substantial accomplishments and will be continued at a reduced level to alleviate specific maintenance problems. In addition, 30 percent of the entrance fees collected on refuges, beginning in 1987, will assist in offsetting the costs of operating visitor facilities.

Funding for the fish and wildlife enhancement activity is \$41.7 million, including \$12.9 million for endangered species in 1988. The reduction in this area is the elimination of \$4.3 million for the endangered species grants to states. This program has contributed to active involvement by most States in endangered species activities and can be discontinued without termination of important recovery programs. The budget also proposes \$37.5 million for the fisheries activity, approximately \$2.8 million more than 1987, including the increase for the Lower Snake River Compensation Fund, the continued operation of all national fish hatcheries and continued fish production directed towards meeting highest Federal responsibilities.

The 1987 rescission of \$20.5 million for Resource Management will be applied to the Fish and Wildlife Enhancement, Refuges and Wildlife, Fisheries and Research and Development activities in a manner consistent with the 1988 budget priorities.

The 1988 construction request for the Service totals \$8.7 million, including \$1.6 million for removal of asbestos material from the Patuxent Wildlife Research Laboratory, \$5.5 million for the next phase of the Crab Orchard Dam renovation and \$1.2 million for design of renovation needs at the Greenwood Lake Dam. The budget proposes a 1987 rescission of \$23.2 million in construction funds to help meet the 1988 Gramm-Rudman-Hollings deficit target.

Permanent funding in the Migratory Bird Conservation Account (MBCA) will be more than double what it was in 1986 and will be used to acquire an estimated 52,000 acres of priority wetlands. Total estimated receipts in the MBCA are expected to be \$37.6 million in 1988, an increase of \$11.1 million over 1987 and \$23.2 million over 1986. These increases result from several factors beginning in 1987. Based on recently enacted provisions in the Emergency Wetlands Resources Act, a full year of entrance and user fees at designated national wildlife refuges will be collected in 1988. Of these receipts 70 percent will be deposited into the MBCA for an increase of \$3.5 million over 1987. The Act also provides for the deposit of import duties from arms and ammunition into the MBCA, an increase of approximately \$5 million over 1987. An increase of \$2.6 million is also projected chiefly due to the price of duck stamps being raised to \$10 by the Act. Because of the increases in receipts, it will not be necessary to request appropriations under the Wetlands Loan Advance in 1988.

Although no funds are proposed in 1988 for new land acquisitions from the Land and Water Conservation Fund, \$1.6 million is requested to allow the Service to continue an aggressive program of alternatives to fee acquisition. These alternatives include negotiating exchanges, easements, and donations for protection of important habitat. A rescission of \$26.8 million is proposed in the 1987 land acquisition appropriation to assist in meeting the 1988 deficit reduction target.

Large increases in receipts in the Dingell-Johnson Federal Aid in Sport Fish Restoration Account (D-J) will continue in 1987 and 1988. These funds are used to assist the States in carrying out projects to restore, enhance, and manage sport fishery resources. These increases result from a re-estimate of

the amount of fuel taxes paid by motor boat users, and a one-time technical adjustment in 1988 made to correct the amount of 1984 and prior collections. For 1987 receipts are estimated at \$141 million, an increase of \$18.8 million over 1986. For 1988 these receipts will increase by another \$33 million to \$174 million. It is proposed, in 1988 only, that \$25 million of the additional D-J receipts be transferred to the Resource Management account, the Service's basic operating account, for program responsibilities related to wildlife and fisheries. This transfer will leave \$149 million for D-J, an increase of \$8 million over 1987.

NATIONAL PARK SERVICE

The National Park System contains 338 areas which cover 79.4 million acres of land in 49 states, the District of Columbia, Puerto Rico, the Virgin Islands, Guam and the Northern Mariana Islands. The National Park Service has the dual responsibility of protecting the natural and cultural resources of these areas and providing for their use and enjoyment by the public. The Service also conducts programs that promote and assist outdoor recreation planning, preservation of cultural and natural resources, and environmental compliance and review along with other Federal agencies, state and local governments, and private organizations.

The 1988 budget estimate for the National Park Service is \$799.6 million, a decrease of \$138.3 million compared to the 1987 appropriation level of \$937.9 million. The 1988 estimate is an increase of \$23.6 million over the current 1987 estimate, which reflects proposed supplementals of \$17.6 million and rescissions of \$146.4 million of 1987 appropriations, \$30.0 million in contract authority and \$3.2 million of prior year appropriations.

The 1988 estimate includes \$15.3 million for increased pay costs and \$21.9 million for the costs of the new Federal Employee Retirement System.

The 1988 budget request proposes increased funding for park operations through enactment of permanent legislation which would authorize the Secretary of the Interior to establish new, and increase existing, park entrance fees and to use the revenues from these fees to supplement the operation and maintenance of park areas. By comparison, in the Interior and Related Agencies Appropriations Act for 1987, the Congress authorized a one-year entrance fee program for the Service. Under this authority, certain parks are exempted from entrance fees, certain price limitations have been imposed, and revenues resulting from the fees are being deposited into the general fund of the Treasury.

The Department's 1988 proposal will result in all revenues from recreation fees being made available to the Park Service. The legislation, if enacted, will provide additional financial support to the National Parks, to be derived from park users rather than from the general taxpayer.

The 1988 request for Operation of the National Park System, the principal operating account, is \$714.8 million including \$74.3 million that would be available from recreation fees under proposed legislation. This \$74.3 million would support a portion of the base funding for maintenance, repair and rehabilitation, and all base program funding for information publications, exhibit preservation and rehabilitation, visitor transportation systems, fee collection costs, cultural and natural resource preservation programs, and volunteers-in-parks. The recreation fees will also provide an increase of \$3.5 million for park operations and other increases for information publications, volunteers-in-parks and for increased costs of fee collection.

Proposed increases in the 1988 estimate for Operation of the National Park System also include: \$3.9 million for the U.S. Park Police to provide for increased security, drug enforcement initiatives, improved facilities and equipment; \$0.6 million for Natural Resources Management for development of a long-term monitoring program of ecosystems in the park system; \$0.6 million for Cultural Resources Management to reduce backlogs in cataloging objects and collections and to develop more adequate cultural resource inventories; \$0.75 million to cover start-up costs and expanded operations at Great Basin National Park; \$0.35 million for improved grizzly bear management programs at Yellowstone and Glacier National Parks; and \$2.7 million to cover increased costs of office space, communications and other administrative costs. The Department proposes to rescind the \$8 million appropriated in 1987 for Steamtown National Historic Site and does not plan to finance this contractual aid in 1988.

The 1988 request for National Recreation and Preservation is \$10.3 million, \$0.3 million less than the 1987 estimate. The Service is proposing to reduce the amount of Federal involvement in public recreation programs that are carried out at the state and local level as part of the overall effort to help reduce the Federal deficit. Accordingly, technical assistance to states and local governments for recreation programs would be reduced and technical assistance to the states for river conservation would be eliminated.

The proposed budget for construction is \$31.0 million, an increase of \$1.9 million over the FY 1987 estimate. The amount requested includes \$3.3 million to be derived from the Visitor Facilities Fund. A total of 11 projects in 10 parks will comprise the construction line item program for 1988, including one project that will use monies transferred from the Visitor Facilities Fund. All projects address health and safety or resource protection objectives. The budget also includes a proposed rescission of \$59.0 million of 1987 appropriations for construction. The rescission of funds for these lower priority construction projects will help meet overall deficit reduction goals.

The 1988 request to support the non-performing arts operations of the John F. Kennedy Center for the Performing Arts is \$4.9 million, an increase of \$0.1 million over the 1987 estimate.

A total of \$16.0 million is requested for Land Acquisition, a decrease of \$3.6 million from the 1987 estimate. Within this level, \$6.1 million will be available for emergency and hardship acquisitions and to pay anticipated deficiency court awards. Remaining funds will be used to administer ongoing acquisition actions and the Land and Water Conservation Fund state matching grants awarded in prior fiscal years. The budget also proposes rescissions of \$64.5 million in 1987 appropriations and \$3.2 million of prior appropriations for lower priority land acquisition projects and state matching grants to assist in the goal of deficit reduction. An additional \$30.0 million in land acquisition contract authority is also proposed for rescission.

Consistent with prior year budgets, no budget authority is requested for grants from the Historic Preservation Fund, a decrease of \$9.3 million from the 1987 estimate. Beginning with a proposed rescission of \$15.0 million in 1987 funding, the Administration would eliminate all direct Federal funding for the preservation of historic properties except for those properties that are part of the National Park System. Historic Preservation Fund grants to states are no longer vital to ensure that preservation activities continue. Federal support over the past 15 years has facilitated the establishment of a network of effectively functioning state preservation offices which can continue to operate without Federal assistance. The encouragement of private sector involvement in historic preservation through enhancement of economic and tax incentives has been highly successful.

The 1988 request eliminates direct Federal support for the Illinois and Michigan Canal National Heritage Corridor and the Jefferson National Expansion Memorial Commissions. In total, the two commissions were funded at \$0.3 million in 1987.

The Administration is proposing a reauthorization of funding available from the Highway Trust Fund for park road projects. Under the proposed reauthorization, \$75 million would be available for Park Service road projects in 1988.

BUREAU OF INDIAN AFFAIRS

The Bureau of Indian Affairs (BIA) is responsible for managing and protecting natural resources on 52 million acres of Indian trust lands and for assisting tribes to serve 862,000 American Indians and Alaska Natives. It provides community services, operates or provides financial support to operate schools, maintains law enforcement systems, provides social services, and assists in farming, ranching, forestry and mining on reservations. These services are provided directly by the Bureau and through contracts with over 300 tribes.

The 1988 budget estimate for BIA is \$1.444 billion, a decrease of \$30.0 million compared to the 1987 appropriation of \$1.474 billion. The 1988 estimate is a decrease of \$7.2 million from the current 1987 estimate, which reflects proposed rescissions of \$22.8 million.

The 1988 estimate includes \$13.5 million for increased pay costs and \$18.6 million for estimated costs of the new Federal Employee Retirement System.

The Bureau's budget is the largest in the Department, comprising 23 percent of the total budget in 1988. The request of \$1.444 billion includes \$985.9 million in current appropriations and \$458.0 million in permanent appropriations and trust funds.

For 1988, the Bureau proposes several program changes to better address the persistent economic and social problems on reservations. The Bureau is committed to becoming an "enabler" for Indian economic development and self-improvement rather than merely a "provider". The specific goals of this initiative are lower unemployment, a lower percentage of welfare recipients, lower alcohol and drug abuse, higher educational achievement levels and higher individual self-esteem among Indian people. For these gains to occur and the quality of life to improve on Indian reservations, there must be economic opportunities, a skilled and motivated work force, a healthy investment climate and a solid educational foundation. The bureau's budget for 1988 strives to achieve these goals while continuing to support Indian cultural values.

The 1988 request for Operation of Indian Programs, the Bureau's primary operating account is \$910.2 million, \$11.0 million below the 1987 estimate. The major program initiatives are included in this account.

During 1988 the Bureau will begin a concerted effort to gradually turn over operation of the remaining Federal Indian schools to tribal or public school systems in order to localize decisions and policies. The Bureau intends to retain oversight of the academic progress of these students, and to ensure that they have the opportunity to follow their cultural traditions. The Bureau is considering multiple options which include contracting with tribes or States, cooperative efforts among public, tribal and Federal schools, and possibly voucher systems in certain situations. All these options will be explored for the remaining BIA-funded schools whose students comprise about 10 percent of all Indian students.

The Bureau also proposes to implement in 1988, on a nationwide basis, a program aimed at enabling Indian individuals who receive welfare assistance to achieve sustained and meaningful work and skill development. This program will involve coordinating operation of the Housing Improvement, General Assistance, and Employment Assistance programs, without fundamentally altering their present missions but redirecting them in a manner that encourages and enables self-assistance. This proposed initiative will ultimately lead to higher individual self-esteem and will also accommodate tribal government efforts to benefit from their reservation workforce.

Other initiatives proposed in 1988 include establishing a flat administrative fee to cover indirect costs associated with tribal contracting under the Indian Self-Determination Act (P.L. 93-638). This fee will provide a more equitable distribution of funding for tribal overhead costs of operating programs. During 1988, the Bureau will also initiate a resources allocation effectiveness study which will provide an assessment of available resources and a productivity analysis of on-going programs on each reservation as a means of determining how equitably Federal funding is allocated.

Finally, the Bureau proposes to provide tribes additional means to maintain viable governments. One effort will provide eligible small tribes with greater financial support to sustain the essential functions of their governments. The second effort will provide specialized technical assistance to tribes whose ability to function as a government is threatened by critical conditions of indebtedness and related financial problems. These efforts are intended to enable tribes to achieve and maintain self-sufficiency. A total of \$6.8 million will be available for this effort which is a \$4.0 million increase over the small tribes program funded in 1987.

Other increases in the operating programs include \$2.4 million for the Bureau's management of tribal trust funds and \$2.4 million to improve the quality of contract, grant and personnel functions in the Bureau.

The major decreases proposed for Bureau operating programs include deleting \$7.6 million which was included in 1987 for one-time training and curriculum development costs associated with drug abuse prevention. The 1988 budget also proposes a reduction of \$7.5 million in direct funding for the timber sales program of which \$5 million is to be offset by fees currently collected on sales, and a \$3.2 million decrease in postponable Forest Development work. Also, a reduction of \$7.9 million is proposed in funding operation and maintenance of existing facilities, based on anticipated demolition of unused buildings and better utilization of existing facilities.

The construction budget totals \$57.9 million in 1988, a decrease of \$7.9 million from the 1987 estimate. Funds in the amount of \$32.4 million will be used to build one new school and to improve or repair existing schools. Also, \$17.3 million will be used for Indian housing, emphasizing rehabilitation. Additionally, \$8.2 million will be used for repairing hazardous dams and other costs related to irrigation construction. Once again, the Administration is proposing a reauthorization of funding available from Highway Trust Funds for Indian road projects. Under the proposed reauthorization, \$75 million would be available for reservation road projects in 1988.

The 1988 budget also includes \$13.6 million under the account titled Miscellaneous Payments to Indians. This total includes a \$10.7 million payment to the Tohono O'Odham Nation (Gila Bend Indian reservation) and \$2.9 million to cover the administrative requirements of the White Earth Land Settlement Act and the Old Age Assistance Claims Act.

Consistent with the Administration's policy to reduce spending in order to meet the 1988 deficit target set forth in the Gramm-Rudman-Hollings Act, a proposal to rescind 1987 appropriations for construction in the amount of \$22.8 million is included. FY 1988 outlays of \$11.4 million will be saved if this proposal is enacted. The proposal would rescind \$7.5 million appropriated to construct Juvenile Detention Centers under the Omnibus Drug Supplemental Appropriations Act of 1987. In lieu of the \$7.5 million proposed for rescission, funding in the amount of \$5.0 million appropriated under the Omnibus Drug Supplemental Appropriations Act of 1987 will be used to construct emergency shelters in the Bureau's Drug Prevention Program. The proposed rescission would also reduce by \$6.3 million the amount appropriated for Housing Construction to \$16.3 million. Housing resources will be used to rehabilitate existing housing rather than construct new housing. The proposal would also rescind \$9.0 million appropriated for the Navajo Indian Irrigation Project, the Gila River Farms/Sacaton Ranch Irrigation Project and the Fort McDowell Irrigation Rehabilitation Project.

Permanent appropriations and trust funds are estimated to be \$458.0 million in 1988, an increase of \$3.8 million from the current 1987 estimate.

OFFICE OF TERRITORIAL AND INTERNATIONAL AFFAIRS

The Assistant Secretary for Territorial and International Affairs carries out the responsibilities of the Secretary for the U.S. Territories of American Samoa, Guam, the Northern Mariana Islands and the Virgin Islands, as well as for the Trust Territory of the Pacific Islands and the freely associated states of the Republic of the Marshall Islands and the Federated States of Micronesia (FSM). The objectives of the Office of Territorial and International Affairs are to promote the political, economic and social development of the territories and direct each toward greater self-government and self-reliance. In the case of the freely associated states, the objective is to administer and supervise continuing Federal programs and funds provided under the Compact of Free Association enacted by P.L. 99-239.

The 1988 budget estimate for Territorial and International Affairs is \$291.0 million, an increase of \$4.0 million compared to the 1987 appropriation of \$287.0 million. The 1988 estimate is an increase of \$6.5 million above the 1987 current estimate which reflects a proposed rescission of \$2.5 million of technical assistance funds.

The 1988 estimate includes \$66,000 for increased pay costs and \$96,000 for costs of the new Federal Employee Retirement System.

The 1988 request for administration of the U.S. Territories is \$61.9 million, a decrease of \$13.8 million from the current 1987 estimate. The request includes \$15.4 million for an operations grant to American Samoa (a decrease of \$5.4 million attributed to increases in local revenue anticipated by the American Samoa government) and \$5.5 million for construction projects in Guam, American Samoa, and the Virgin Islands (a decrease of \$7.3 million). The 1987 construction program includes \$1.1 million for the Mangilao Reservoir on Guam, \$0.5 million for oil dock rehabilitation on American Samoa, \$1.5 million for seawall construction on American Samoa, and \$2.4 million for water system improvements in the Virgin Islands. Technical assistance funding is proposed at \$2.2 million, and loan assistance for the Guam Power Authority will decrease by \$0.4 million to \$1.6 million. The covenant grant for Northern Mariana Islands operations and capital development is proposed to be \$34.4 million, a decrease of \$1.0 million. The budget reflects a policy of encouraging increased private sector participation in territorial development, while enhancing government efficiency and encouraging economic diversification of the islands.

An estimated \$70 million will be provided to Guam and the Virgin Islands from anticipated Federal collections of income and excise taxes. This payment will be an increase of \$5.0 million from the 1987 estimate of \$65.0 million.

Approximately \$14.8 million is requested for 1988 to fund the Trust Territory of the Pacific Islands, which is a decrease of \$52.6 million from the 1987 estimate. However, almost all of the decrease is attributable to the fact that funding for the Republic of the Marshall Islands and the Federal States of Micronesia is no longer included in this account. The \$14.8 million requested for 1988 will provide \$10.8 million for government operations for the Republic of Palau (an increase of \$0.7 million) and \$1.4 million for Trust Territory operations (a decrease of \$3.8 million). The 1988 request also includes \$2.6 million as a contribution for construction of a new capitol in the Republic of Palau. The Republic of Palau will continue to be administered under the Trusteeship agreement until such time as a conflict between the Compact of Free Association and Palau's constitution is resolved and the Compact is implemented.

For the Compact of Free Association, the budget request is \$27.9 million. This will provide funding for the continuation of certain mandated Federal programs and services to the Republic of the Marshall Islands and the Federated States of Micronesia. Funding for most of the direct payments to these governments over the fifteen-year life of the Compact is backed by the full faith and credit of the United States and was permanently appropriated during 1986. The Compact came into effect and initial payments were made in 1987. Permanently appropriated funds for the Compact governments will total \$116.4 million in 1988, an increase of \$42.2 million over the \$74.1 million provided in 1987.

SECRETARIAL OFFICES

The budget requests for Secretarial offices total \$93.9 million. This is an increase of \$13.2 million over the 1987 appropriation and the current 1987 estimate for these offices.

The 1988 estimate includes an additional \$1.9 million for increased pay costs and \$3.5 million for the costs of the new Federal Employee Retirement System.

Within the \$93.9 million total, the Office of the Secretary, which provides executive direction and management for the Department, is funded at \$51.0 million; the Office of the Solicitor, which provides legal services for all components of the Department, at \$24.8 million; and the Office of Inspector General at \$18.1 million.

DEPARTMENT OF THE INTERIOR
FY 1988 Budget Account Listing
(in thousands of dollars)

BUREAUS/OFFICES ACCOUNTS	BUDGET AUTHORITY			OUTLAYS		
	FY 1986 Actual	FY 1987 Current Estimate	FY 1988 President's Budget	FY 1986 Actual	FY 1987 Current Estimate	FY 1988 President's Budget
TOTAL, Current & Permanent						
Bureau of Land Management.....	653,546	739,474	641,779	647,735	739,006	649,098
Minerals Management Service.....	582,588	595,422	559,183	579,721	603,809	557,073
Office of Surface Mining.....	278,069	303,723	292,404	327,360	344,872	326,713
Land and Minerals Management.....	1,514,203	1,638,619	1,493,366	1,554,816	1,687,687	1,532,884
Bureau of Reclamation.....	768,178	953,497	1,053,214	1,050,087	1,006,837	907,473
Geological Survey.....	412,306	421,662	420,178	429,123	420,966	421,186
Bureau of Mines.....	128,380	122,068	119,130	123,697	125,132	66,574
Water and Science.....	1,308,864	1,497,227	1,592,522	1,602,907	1,552,935	1,395,233
Fish and Wildlife Service.....	637,597	618,821	631,792	596,932	621,711	609,384
National Park Service.....	876,541	775,977	799,592	959,218	1,039,943	938,155
Fish and Wildlife and Parks.....	1,514,138	1,394,798	1,431,384	1,556,150	1,661,654	1,547,539
Bureau of Indian Affairs.....	1,369,253	1,451,230	1,443,990	1,342,515	1,449,616	1,420,789
Territorial and International Affairs.....	453,701	284,493	291,023	261,183	509,427	291,035
Office of the Secretary.....	42,989	43,500	50,976	66,817	43,518	51,281
Office of the Solicitor.....	19,385	20,880	24,794	19,801	20,797	24,653
Office of Inspector General.....	15,455	16,352	18,142	14,826	16,829	18,333
Total, DEPARTMENT OF THE INTERIOR.....	6,237,988	6,347,099	6,346,197	6,419,015	6,942,463	6,281,747

DEPARTMENT OF THE INTERIOR
FY 1988 Budget Account Listing
(in thousands of dollars)

BUREAUS/OFFICES ACCOUNTS	FN	BUDGET AUTHORITY			OUTLAYS		
		FY 1986 Actual	FY 1987 Current Estimate	FY 1988 President's Budget	FY 1986 Actual	FY 1987 Current Estimate	FY 1988 President's Budget
TOTAL, Current & Permanent							
(continued)							
Memo entries:							
Current Appropriations.....		4,946,934	4,839,598	4,813,386	5,253,534	5,479,477	4,805,221
Permanents, Trusts, and Others.....		1,291,054	1,507,501	1,532,811	1,165,481	1,462,986	1,476,526
Supplementals (Program & Fire).....			23,028			22,067	364
Rescissions.....			(302,737)			(102,322)	(79,666)

DEPARTMENT OF THE INTERIOR
FY 1988 Budget Account Listing
(in thousands of dollars)

BUREAUS/OFFICES ACCOUNTS	BUDGET AUTHORITY			OUTLAYS		
	FY 1986 Actual	FY 1987 Current Estimate	FY 1988 President's Budget	FY 1986 Actual	FY 1987 Current Estimate	FY 1988 President's Budget
-- Current --						
Bureau of Land Management.....	557,691	655,902	583,981	618,562	654,846	590,813
Minerals Management Service.....	160,029	160,697	169,313	157,162	169,084	167,203
Office of Surface Mining.....	278,069	303,723	292,404	327,360	344,872	326,713
Land and Minerals Management.....	995,789	1,120,322	1,045,698	1,103,084	1,168,802	1,084,729
Bureau of Reclamation.....	744,463	867,647	949,113	1,022,303	920,983	803,372
Geological Survey.....	412,306	421,262	420,178	429,073	420,565	421,186
Bureau of Mines.....	127,711	121,568	118,630	123,328	124,442	66,095
Water and Science.....	1,284,480	1,410,477	1,487,921	1,574,704	1,465,990	1,290,653
Fish and Wildlife Service.....	367,541	328,612	318,144	382,561	354,566	326,097
National Park Service.....	855,805	757,122	777,102	928,747	999,774	899,765
Fish and Wildlife and Parks.....	1,223,346	1,085,734	1,095,246	1,311,308	1,354,340	1,225,862
Bureau of Indian Affairs.....	1,001,767	997,024	985,988	990,056	1,040,837	1,005,076
Territorial and International Affairs.....	363,754	145,361	104,673	172,962	368,415	104,685
Office of the Secretary.....	42,989	43,500	50,976	66,817	43,518	51,281
Office of the Solicitor.....	19,385	20,880	24,794	19,801	20,797	24,653
Office of Inspector General.....	15,424	16,300	18,090	14,802	16,778	18,282
Total, Current.....	4,946,934	4,839,598	4,813,386	5,253,534	5,479,477	4,805,221

DEPARTMENT OF THE INTERIOR
FY 1988 Budget Account Listing
(in thousands of dollars)

BUREAUS/OFFICES ACCOUNTS	FN	BUDGET AUTHORITY			OUTLAYS		
		FY 1986 Actual	FY 1987 Current Estimate	FY 1988 President's Budget	FY 1986 Actual	FY 1987 Current Estimate	FY 1988 President's Budget
-- Permanent --							
Bureau of Land Management.....		95,855	83,572	57,798	29,173	84,160	58,285
Minerals Management Service.....		422,559	434,725	389,870	422,559	434,725	389,870
Office of Surface Mining.....		0	0	0	0	0	0
Land and Minerals Management.....		518,414	518,297	447,668	451,732	518,885	448,155
Bureau of Reclamation.....		23,715	85,850	104,101	27,784	85,854	104,101
Geological Survey.....		0	400	0	50	401	0
Bureau of Mines.....		669	500	500	369	690	479
Water and Science.....		24,384	86,750	104,601	28,203	86,945	104,580
Fish and Wildlife Service.....		270,056	290,209	313,648	214,371	267,145	283,287
National Park Service.....		20,736	18,855	22,490	30,471	40,169	38,390
Fish and Wildlife and Parks.....		290,792	309,064	336,138	244,842	307,314	321,677
Bureau of Indian Affairs.....		367,486	454,206	458,002	352,459	408,779	415,713
Territorial and International Affairs.....		89,947	139,132	186,350	88,221	141,012	186,350
Office of the Secretary.....		0	0	0	0	0	0
Office of the Solicitor.....		0	0	0	0	0	0
Office of Inspector General.....		31	52	52	24	51	51
Total, Permanents.....		1,291,054	1,507,501	1,532,811	1,165,481	1,462,986	1,476,526

DEPARTMENT OF THE INTERIOR
FY 1988 Budget Account Listing
(in thousands of dollars)

	BUDGET AUTHORITY			OUTLAYS		
	FY 1986 Actual	FY 1987 Current Estimate	FY 1988 President's Budget	FY 1986 Actual	FY 1987 Current Estimate	FY 1988 President's Budget
BUREAUS/OFFICES ACCOUNTS						
BUREAU OF LAND MANAGEMENT						
Federal Funds						
General and Special Funds:						
Management of lands and resources.....302	379,139	483,610	407,952	446,147	480,604	418,726
Proposed Rescission.....		(6,500)			(5,395)	(1,105)
Total, MLR.....	379,139	477,110	407,952	446,147	475,209	417,621
Construction and Access.....302	8,535	2,836	1,281	3,337	7,436	4,188
Proposed Rescission.....		(1,600)			(1,280)	(320)
Total, Construction and Access.....	8,535	1,236	1,281	3,337	6,156	3,868
Payments in lieu of taxes.....852	99,882	105,000	105,000	99,741	105,000	105,000
Oregon and California grant lands.....302	53,379	54,524	53,937	54,563	54,214	49,393
Special acquisition of lands and minerals						
Authority to borrow, permanent.....302	1,088	1,300	1,300	1,088	1,300	1,300
Land Acquisition.....						
Proposed Rescission.....302	2,188	6,184	10	2,490	3,398	3,735
		(2,700)			(810)	(1,890)
Total, Land Acquisition.....	2,188	3,484	10	2,490	2,588	1,845
Range improvements.....302	9,570	9,253	8,506	10,309	9,348	8,506
Service charges, deposits, and forfeitures.....302	4,998	5,195	7,195	3,863	5,156	6,995
Operations and Maintenance of Quarters.....302	340	250	250	172	250	250

DEPARTMENT OF THE INTERIOR
FY 1988 Budget Account Listing
(in thousands of dollars)

	BUDGET AUTHORITY			OUTLAYS		
	FY 1986 Actual	FY 1987 Current Estimate	FY 1988 President's Budget	FY 1986 Actual	FY 1987 Current Estimate	FY 1988 President's Budget
BUREAUS/OFFICES ACCOUNTS						
	FN					
BUREAU OF LAND MANAGEMENT (cont'd)						
Miscellaneous permanent appropriations						
Conservation and land management.....302	7,616	5,600	5,600	6,178	5,600	5,600
Other general purpose fiscal assistance....852	83,477	75,822	50,048	18,749	75,822	50,048
Total, Misc permanent appropriations...	91,093	81,422	55,648	24,927	81,422	55,648
Intragovernmental Funds:						
Working capital fund.....302	0	0	0	(1,888)	(2,925)	(2,515)
Total, Federal Funds.....	650,212	738,774	641,079	644,749	737,718	647,911
Trust Funds						
Miscellaneous trust funds						
Appropriation, current.....302	0	100	100	0	100	100
Appropriation, permanent.....302	3,334	600	600	2,986	1,188	1,087
Total, Miscellaneous trust funds.....	3,334	700	700	2,986	1,288	1,187
Total, Trust Funds.....	3,334	700	700	2,986	1,288	1,187
Total, BUREAU OF LAND MANAGEMENT.....	653,546	739,474	641,779	647,735	739,006	649,098

DEPARTMENT OF THE INTERIOR
FY 1988 Budget Account Listing
(in thousands of dollars)

	BUDGET AUTHORITY			OUTLAYS		
	FY 1986 Actual	FY 1987 Current Estimate	FY 1988 President's Budget	FY 1986 Actual	FY 1987 Current Estimate	FY 1988 President's Budget
BUREAUS/OFFICES ACCOUNTS						
BUREAU OF LAND MANAGEMENT (cont'd)						
Memo entries:						
Current Appropriations.....	557,691	655,902	583,981	618,562	654,846	590,813
Permanents, Trusts, and Others..	95,855	83,572	57,798	29,173	84,160	58,285
Rescissions.....		(10,800)			(7,485)	(3,315)

DEPARTMENT OF THE INTERIOR
FY 1988 Budget Account Listing
(in thousands of dollars)

	BUDGET AUTHORITY			OUTLAYS		
	FY 1986 Actual	FY 1987 Current Estimate	FY 1988 President's Budget	FY 1986 Actual	FY 1987 Current Estimate	FY 1988 President's Budget
BUREAUS/OFFICES						
ACCOUNTS						
FN						
MINERALS MANAGEMENT SERVICE						
Federal Funds						
General and Special Funds:						
Leasing and royalty management.....302	160,029	160,697	168,563	157,162	169,084	166,453
Payments to states from receipts under the Mineral Leasing Act						
Appropriation, current.....852	0	0	750	0	0	750
Appropriation, permanent.....852	422,559	434,725	389,870	422,559	434,725	389,870
Total, Payments to states.....	422,559	434,725	390,620	422,559	434,725	390,620
Total, Federal Funds.....	582,588	595,422	559,183	579,721	603,809	557,073
Total, MINERALS MANAGEMENT SERVICE.....	582,588	595,422	559,183	579,721	603,809	557,073
Memo entries:						
Current Appropriations.....	160,029	160,697	169,313	157,162	169,084	167,203
Permanents, Trusts, and Others..	422,559	434,725	389,870	422,559	434,725	389,870

DEPARTMENT OF THE INTERIOR
FY 1988 Budget Account Listing
(in thousands of dollars)

		BUDGET AUTHORITY			OUTLAYS		
		FY 1986 Actual	FY 1987 Current Estimate	FY 1988 President's Budget	FY 1986 Actual	FY 1987 Current Estimate	FY 1988 President's Budget
BUREAUS/OFFICES	ACCOUNTS	FN					
OFFICE OF SURFACE MINING RECLAMATION AND ENFORCEMENT							
Federal Funds							
General and Special Funds:							

Regulation and technology.....	302	80,792	101,310	105,605	86,031	93,574	103,414
Abandoned mine reclamation fund.....	302	197,277	202,413	186,799	241,329	251,298	223,299

Total, Federal Funds.....		278,069	303,723	292,404	327,360	344,872	326,713

Total, OFFICE OF SURFACE MINING.....		278,069	303,723	292,404	327,360	344,872	326,713
=====							
Memo entries:							
Current Appropriations.....		278,069	303,723	292,404	327,360	344,872	326,713
Permanents, Trusts, and Others..		0	0	0	0	0	0

DEPARTMENT OF THE INTERIOR
FY 1988 Budget Account Listing
(in thousands of dollars)

BUREAUS/OFFICES ACCOUNTS	BUDGET AUTHORITY				OUTLAYS		
	FY 1986 Actual	FY 1987 Current Estimate	FY 1988 President's Budget	FY 1986 Actual	FY 1987 Current Estimate	FY 1988 President's Budget	
BUREAU OF RECLAMATION							
Federal Funds							
General and Special Funds:							
Construction program.....	499,267	602,158	700,158	687,733	627,600	694,744	
Loan program.....	37,624	37,480	28,809	47,968	44,400	(120,491)	
General investigations.....	32,571	29,409	11,559	34,667	31,000	15,532	
Emergency fund.....	957	1,000	1,000	598	983	1,000	
Operation and maintenance.....	126,960	140,000	154,297	146,621	142,000	154,297	
General administrative expenses.....	47,084	51,200	53,290	61,842	53,000	53,290	
Colorado River Dam Fund, Boulder Canyon Project.....	18,678	50,600	55,814	19,948	50,600	55,814	
Miscellaneous permanent appropriations.....	305	280	287	263	284	287	
Public Enterprise Funds:							
Lower Colorado River Basin Development Fund...301	0	0	0	28,044	0	0	
Upper Colorado River Basin Fund.....301	0	0	0	36,100	0	0	
Intergovernmental Funds:							
Working capital fund.....301	0	6,400	0	(21,270)	22,000	5,000	
Total, Federal Funds.....	763,446	918,527	1,005,214	1,042,514	971,867	859,473	

DEPARTMENT OF THE INTERIOR
FY 1988 Budget Account Listing
(in thousands of dollars)

	BUDGET AUTHORITY			OUTLAYS		
	FY 1986 Actual	FY 1987 Current Estimate	FY 1988 President's Budget	FY 1986 Actual	FY 1987 Current Estimate	FY 1988 President's Budget
BUREAUS/OFFICES						
ACCOUNTS						
FN						
BUREAU OF RECLAMATION (cont'd)						
Trust Funds						
Reclamation trust funds.....301	4,732	34,970	48,000	7,573	34,970	48,000
Total, Trust Funds.....	4,732	34,970	48,000	7,573	34,970	48,000
Total, BUREAU OF RECLAMATION.....	768,178	953,497	1,053,214	1,050,087	1,006,837	907,473
Memo entries:						
Current Appropriations.....	744,463	867,647	949,113	1,022,303	920,983	803,372
Permanents, Trusts, and Others..	23,715	85,850	104,101	27,784	85,854	104,101

DEPARTMENT OF THE INTERIOR
FY 1988 Budget Account Listing
(in thousands of dollars)

	BUDGET AUTHORITY			OUTLAYS		
	FY 1986 Actual	FY 1987 Current Estimate	FY 1988 President's Budget	FY 1986 Actual	FY 1987 Current Estimate	FY 1988 President's Budget
BUREAUS/OFFICES						
ACCOUNTS						
FN						
General and Special Funds:						
Surveys, investigations, and research.....306	412,306	418,665	420,178	425,509	418,244	420,906
Proposed supplemental.....		2,597			1,720	280
Total, SIR.....	412,306	421,262	420,178	425,509	419,964	421,186
Barrow area gas operation, exploration, and development.....271	0	0	0	205	0	0
Exploration of the National Petroleum Reserve in Alaska.....271	0	0	0	3,359	601	0
Total, Federal Funds.....	412,306	421,262	420,178	429,073	420,565	421,186
Trust Funds						
Contributed funds.....306	0	400	0	50	401	0
Total, Trust Funds.....	0	400	0	50	401	0
Total, GEOLOGICAL SURVEY.....	412,306	421,662	420,178	429,123	420,966	421,186
Memo entries:						
Current Appropriations.....	412,306	421,262	420,178	429,073	420,565	421,186
Permanents, Trusts, and Others.....	0	400	0	50	401	0
Program supplemental.....		2,597			1,720	280

DEPARTMENT OF THE INTERIOR
FY 1988 Budget Account Listing
(in thousands of dollars)

	BUDGET AUTHORITY			OUTLAYS		
	FY 1986 Actual	FY 1987 Current Estimate	FY 1988 President's Budget	FY 1986 Actual	FY 1987 Current Estimate	FY 1988 President's Budget
BUREAUS/OFFICES ACCOUNTS	FN					
BUREAU OF MINES Federal funds						
General and Special funds:						
Mines and minerals.....	306	127,711	138,162 (16,594)	118,630	131,009	137,206 (12,270)
Proposed Rescission.....						(4,324)
Total, Mines and Minerals.....		127,711	121,568	118,630	131,009	124,936
Public Enterprise funds:						
Helium fund.....	306	0	0	0	(7,681)	(494)
Total, Federal Funds.....		127,711	121,568	118,630	123,328	124,442
Trust Funds						
Contributed funds.....	306	669	500	500	369	690
Total, Trust Funds.....		669	500	500	369	690
Total, BUREAU OF MINES.....		128,380	122,068	119,130	123,697	125,132
Memo entries:						
Current Appropriations.....		127,711	121,568	118,630	123,328	124,442
Permanents, Trusts, and Others..		669	500	500	369	690
Rescission.....			(16,594)			(12,270)

DEPARTMENT OF THE INTERIOR
FY 1988 Budget Account Listing
(in thousands of dollars)

	BUDGET AUTHORITY				OUTLAYS		
	FY 1986 Actual	FY 1987 Current Estimate	FY 1988 President's Budget		FY 1986 Actual	FY 1987 Current Estimate	FY 1988 President's Budget
BUREAUS/OFFICES							
ACCOUNTS							
FN							
FISH AND WILDLIFE SERVICE							
Federal Funds							
General and Special funds:							

Resource management.....	303	286,529	314,692	302,203	291,119	305,000	293,290
Proposed supplemental.....	303		2,800			2,716	84
Proposed rescission.....	303		(20,500)			(17,425)	(13,075)

Total, Resource Management.....		286,529	296,992	302,203	291,119	290,291	290,299

Construction.....	303	20,258	26,513	8,657	19,276	27,779	25,829
Proposed rescission.....	303		(23,200)			(4,872)	(12,528)

Total, Construction.....		20,258	3,313	8,657	19,276	22,907	13,301

Land acquisition.....	303	41,061	42,425	1,639	52,473	44,780	24,881
Proposed rescission.....	303		(26,763)			(16,057)	(8,029)

Total, Land Acquisition.....		41,061	15,662	1,639	52,473	28,723	16,852

Migratory bird conservation account (MBCA)							
Appropriation, current.....	303	14,323	7,000	0	14,323	7,000	0
Appropriation, permanent.....	303	14,357	26,500	37,581	10,612	21,857	36,729

Total, MBCA.....		28,680	33,500	37,581	24,935	28,857	36,729

DEPARTMENT OF THE INTERIOR
FY 1988 Budget Account Listing
(in thousands of dollars)

		BUDGET AUTHORITY			OUTLAYS		
		FY 1986	FY 1987	FY 1988	FY 1986	FY 1987	FY 1988
BUREAUS/OFFICES	FN	Actual	Current Estimate	President's Budget	Actual	Current Estimate	President's Budget
ACCOUNTS							
FISH AND WILDLIFE SERVICE (cont'd)							
National wildlife refuge fund							
Appropriation, current.....	852	5,370	5,645	5,645	5,370	5,645	5,645
Appropriation, permanent.....	852	5,471	7,040	7,040	6,751	5,806	6,780
Total, Nat'l Wildlife Refuge fund.....		10,841	12,685	12,685	12,121	11,451	12,425
Operations and maintenance of quarters.....	303	1,621	1,600	1,662	939	1,500	1,660
Miscellaneous permanent appropriations.....	303	120,892	109,888	114,200	151,855	112,685	106,125
Total, Federal Funds.....		509,882	473,640	478,627	552,718	496,414	477,391
Trust funds							
Sport fish restoration.....	303	122,167	141,016	149,000	39,275	121,299	127,968
Contributed funds.....	303	5,548	4,165	4,165	4,939	3,998	4,025
Total, Trust Funds.....		127,715	145,181	153,165	44,214	125,297	131,993
Total, FISH AND WILDLIFE SERVICE.....		637,597	618,821	631,792	596,932	621,711	609,384
Memo entries:							
Current Appropriations.....		367,541	328,612	318,144	382,561	354,566	326,097
Permanents, Trusts, and Others..		270,056	290,209	313,648	214,371	267,145	283,287
Fire supplemental.....			2,800	0	0	2,716	84
Rescissions.....			(70,463)			(38,354)	(23,632)

DEPARTMENT OF THE INTERIOR
FY 1988 Budget Account Listing
(in thousands of dollars)

		BUDGET AUTHORITY			OUTLAYS		
		FY 1986	FY 1987	FY 1988	FY 1986	FY 1987	FY 1988
		Actual	Current Estimate	President's Budget	Actual	Current Estimate	President's Budget
BUREAUS/OFFICES							
ACCOUNTS							
		FN					
NATIONAL PARK SERVICE							
Federal Funds							
General and Special Funds:							
Operation of the National Park System.....		303	673,771	714,844	622,059	672,393	706,429
Proposed fire supplemental.....		303	13,000			13,000	
Proposed program supplemental.....			4,631			4,631	
Proposed rescission.....		303	(7,950)			(1,950)	(2,000)
Total, ONPS.....			683,452	714,844	622,059	688,074	704,429
National Recreation and Preservation.....		303	10,628	10,317	10,290	10,621	10,705
Construction.....		303	88,095	30,990	110,174	94,000	84,000
Proposed rescission.....		303	(58,981)			(8,100)	(15,400)
Total, Construction.....			29,114	30,990	110,174	85,900	68,600
Road Construction.....		303	0	0	39	758	0
John F. Kennedy Ctr for the Performing Arts...303			4,771	4,920	4,240	4,715	4,931
Urban Park and Recreation Fund.....		303	0	0	7,149	7,141	3,931
Illinois and Michigan Canal National							
Heritage Corridor Commission.....		303	250	0	67	538	125
Jefferson Nat'l Expansion Memorial Comm.....		303	75	0	131	79	0
National Park System Visitor Facilities Fund.303			0	0	2,838	1,708	0

DEPARTMENT OF THE INTERIOR
FY 1988 Budget Account Listing
(in thousands of dollars)

	BUDGET AUTHORITY			OUTLAYS		
	FY 1986 Actual	FY 1987 Current Estimate	FY 1988 President's Budget	FY 1986 Actual	FY 1987 Current Estimate	FY 1988 President's Budget
BUREAUS/OFFICES ACCOUNTS						
FN						
NATIONAL PARK SERVICE (cont'd)						
Land Acquisition						
Appropriation, current.....303	93,604	87,220	16,031	146,613	200,000	111,000
Proposed rescission.....303		(67,638)			(21,720)	(13,540)
Contract authority, permanent.....303	0	30,000	30,000	0	0	0
Proposed resc. for later transmission.....303	0	(30,000)	(30,000)	0	0	0
Total, Land Acquisition.....	93,604	19,582	16,031	146,613	178,280	97,460
Planning, Dev. & Opn of Rec Facilities.....303	0	0	0	6	85	0
Historic Preservation Fund.....303	23,729	24,250	0	25,141	25,467	15,134
Proposed rescission.....303		(15,000)			(3,600)	(5,550)
Total, Historic Preservation Fund.....	23,729	9,250	0	25,141	21,867	9,584
Operation and Maintenance of Quarters.....303	8,025	8,539	8,722	6,790	8,539	8,722
Commemorative Activities Fund.....303	0	0	0	0	8	0
Miscellaneous Permanent Appropriations.....303	1,903	1,045	1,045	1,090	1,959	1,045
Total, Federal Funds.....	865,733	766,706	786,869	936,627	1,010,272	909,532

DEPARTMENT OF THE INTERIOR
FY 1988 Budget Account Listing
(in thousands of dollars)

BUREAUS/OFFICES ACCOUNTS	BUDGET AUTHORITY			OUTLAYS		
	FY 1986 Actual	FY 1987 Current Estimate	FY 1988 President's Budget	FY 1986 Actual	FY 1987 Current Estimate	FY 1988 President's Budget
NATIONAL PARK SERVICE (cont'd)						
Trust Funds						
Construction (Trust Fund).....	[9,857]	[12,500]	0	9,627	17,500	15,900
Miscellaneous Trust Funds.....	10,808	9,271	12,723	12,964	12,171	12,723
Total, Trust Funds.....	10,808	9,271	12,723	22,591	29,671	28,623
Total, NATIONAL PARK SERVICE.....	876,541	775,977	799,592	959,218	1,039,943	938,155
Memo entries:						
Current Appropriations.....	855,805	757,122	777,102	928,747	999,774	899,765
Permanents, Trusts, and Others..	20,736	18,855	22,490	30,471	40,169	38,390
Fire supplemental.....		13,000	0	0	13,000	0
Program supplemental.....		4,631	0	0	4,631	0
Rescissions.....		(179,569)			(35,370)	(36,490)

DEPARTMENT OF THE INTERIOR
FY 1988 Budget Account Listing
(in thousands of dollars)

	BUDGET AUTHORITY				OUTLAYS		
	FY 1986 Actual	FY 1987 Current Estimate	FY 1988 President's Budget	FN	FY 1986 Actual	FY 1987 Current Estimate	FY 1988 President's Budget
BUREAUS/OFFICES							
ACCOUNTS							
BUREAU OF INDIAN AFFAIRS							
Federal Funds							
General and Special Funds:							

Operation of Indian programs							
Conservation and land management.....302	135,179	142,394	37,282		130,353	141,524	37,319
Area and regional development.....452	490,301	506,608	636,868		487,462	503,537	638,020
Elementary, secondary & vocational ed.....501	257,299	272,180	236,031		246,535	270,361	236,493
Total, Operation of Indian Programs.....	882,779	921,182	910,181		864,350	915,422	911,832
Construction							
Appropriation, current.....452	108,418	88,601	57,894		110,101	104,877	84,332
Proposed rescission.....452		(22,811)				(6,843)	(11,405)
Subtotal, Construction (current).....	108,418	65,790	57,894		110,101	98,034	72,927
Appropriation, permanent.....452	4,900	0	0		0	0	0
Total, Construction.....	113,318	65,790	57,894		110,101	98,034	72,927
Road construction.....452	0	0	0		1,157	2,343	1,850
Payment to the Alaska Native Escrow.....806	7,493	0	0		7,493	0	0
Payment to White Earth Econ. Devel. Fund.....452	0	6,600	0		0	6,600	0
Miscellaneous Payments to Indians.....452	0	0	13,628		0	0	11,365
Operation and maintenance of quarters.....303	6,960	9,000	9,000		6,037	9,000	9,000
Miscellaneous permanent appropriations							
Area and regional development.....452	45,134	49,000	49,000		38,659	43,900	46,450
Other general government.....806	961	2,000	2,000		854	2,000	2,000
Total, Misc Permanent Appropriations...	46,095	51,000	51,000		39,513	45,900	48,450

DEPARTMENT OF THE INTERIOR
FY 1988 Budget Account Listing
(in thousands of dollars)

BUREAUS/OFFICES ACCOUNTS	BUDGET AUTHORITY			OUTLAYS		
FN	FY 1986 Actual	FY 1987 Current Estimate	FY 1988 President's Budget	FY 1986 Actual	FY 1987 Current Estimate	FY 1988 President's Budget
BUREAU OF INDIAN AFFAIRS (cont'd)						
Public Enterprise Funds:						
Revolving fund for loans.....452	0	0	0	(913)	7,532	0
Indian loan guaranty and insurance fund.....452	2,103	2,452	3,285	6,881	9,904	7,102
Liquidation of Hoonah Housing Project.....452	0	0	0	13	2	0
Total, Federal Funds.....	1,058,748	1,056,024	1,044,988	1,034,632	1,094,737	1,062,526
Trust Funds						
Cooperative fund (Papego).....452	328	896	932	0	0	0
Miscellaneous trust funds						
Appropriation, current.....452	974	1,000	1,000	974	1,000	0
Appropriation, permanent.....452	309,203	393,310	397,070	306,909	353,879	358,263
Total, Miscellaneous trust funds.....	310,177	394,310	398,070	307,883	354,879	358,263
Total, Trust Funds.....	310,505	395,206	399,002	307,883	354,879	358,263
Total, BUREAU OF INDIAN AFFAIRS.....	1,369,253	1,451,230	1,443,990	1,342,515	1,449,616	1,420,789
Memo entries:						
Current Appropriations.....	1,001,767	997,024	985,988	990,056	1,040,837	1,005,076
Permanents, Trusts, and Others..	367,486	454,206	458,002	352,459	408,779	415,713
Rescission.....		(22,811)			(6,843)	(11,405)

DEPARTMENT OF THE INTERIOR
FY 1988 Budget Account Listing
(in thousands of dollars)

	BUDGET AUTHORITY				OUTLAYS		
	FY 1986 Actual	FY 1987 Current Estimate	FY 1988 President's Budget		FY 1986 Actual	FY 1987 Current Estimate	FY 1988 President's Budget
TERRITORIAL AND INTERNATIONAL AFFAIRS							
Federal Funds							
General and Special Funds:							
Administration of territories.....	76,459	78,224 (2,500)	61,933		79,834	81,450 (2,000)	59,045 (500)
Proposed Rescission.....							
Total, Admin. of Territories.....	76,459	75,724	61,933		79,834	79,450	58,545
Trust Territory of the Pacific Islands.....	76,455	67,387	14,820		93,128	85,000	18,220
Compact of free association							
Current, definite.....	210,840	2,250	27,920		0	203,965	27,920
Permanent, indefinite.....	10,032	74,132	116,350		10,032	73,917	116,350
Total, Compact of free association.....	220,872	76,382	144,270		10,032	277,882	144,270
Micronesian Claims Fund, TTPI.....	0	0	0		57	215	0
Payments to U.S. Territories, fiscal assist..	79,915	65,000	70,000		78,132	66,880	70,000

OUTLAYS

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DEPARTMENT OF THE INTERIOR
FY 1988 Budget Account Listing
(in thousands of dollars)

	BUDGET AUTHORITY			OUTLAYS		
	FY 1986 Actual	FY 1987 Current Estimate	FY 1988 President's Budget	FY 1986 Actual	FY 1987 Current Estimate	FY 1988 President's Budget
BUREAUS/OFFICES ACCOUNTS						
FN						
OFFICE OF THE SECRETARY						
Federal Funds						
General and Special Funds:						
Salaries and expenses.....	41,296	42,816	50,976	64,440	40,810	50,743
Salaries & expenses (special foreign curr)....	951	0	0	605	1,961	538
Construction management.....	742	684	0	765	747	0
Miscellaneous expiring accounts:						
Water resources.....	0	0	0	430	0	0
Conservation and land management.....	0	0	0	0	0	0
Total, Miscellaneous expiring accounts.....	0	0	0	430	0	0
Intragovernmental Funds:						
Working capital fund.....	0	0	0	577	0	0
Total, Federal Funds.....	42,989	43,500	50,976	66,817	43,518	51,281
Total, OFFICE OF THE SECRETARY.....	42,989	43,500	50,976	66,817	43,518	51,281
Memo entries:						
Current Appropriations.....	42,989	43,500	50,976	66,817	43,518	51,281
Permanents, Trusts, and Others...	0	0	0	0	0	0

DEPARTMENT OF THE INTERIOR
FY 1988 Budget Account Listing
(in thousands of dollars)

	BUDGET AUTHORITY				OUTLAYS		
	FY 1986	FY 1987	FY 1988		FY 1986	FY 1987	FY 1988
BUREAUS/OFFICES	Actual	Current Estimate	President's Budget	FN	Actual	Current Estimate	President's Budget
ACCOUNTS							
OFFICE OF THE SOLICITOR							
Federal Funds							
General and Special Funds:							
Office of the Solicitor.....	19,385	20,880	24,794	306	19,801	20,797	24,653
Total, Federal Funds.....	19,385	20,880	24,794		19,801	20,797	24,653
Total, OFFICE OF THE SOLICITOR.....	19,385	20,880	24,794		19,801	20,797	24,653
Memo entries:							
Current Appropriations.....	19,385	20,880	24,794		19,801	20,797	24,653
Permanents, Trusts, and Others..	0	0	0		0	0	0

DEPARTMENT OF THE INTERIOR
FY 1988 Budget Account Listing
(in thousands of dollars)

BUDGET AUTHORITY				OUTLAYS		
				FY 1986	FY 1987	FY 1988
BUREAUS/OFFICES	FN	Actual	Current Estimate	Actual	Current Estimate	President's Budget
ACCOUNTS						
OFFICE OF INSPECTOR GENERAL						
Federal Funds						
General and Special Funds:						

Office of the Inspector General.....	306	15,424	16,300	18,090	16,778	18,282
Operations and maintenance of quarters.....	306	31	52	52	24	51

Total, Federal Funds.....		15,455	16,352	18,142	16,829	18,333

Total, OFFICE OF INSPECTOR GENERAL.....		15,455	16,352	18,142	16,829	18,333
=====						
Memo entries:						
Current Appropriations.....		15,424	16,300	18,090	16,778	18,282
Permanents, Trusts, and Others..		31	52	52	24	51

Table B

DEPARTMENT OF THE INTERIOR
FY 1988 President's Budget
Estimate of Receipts
(Dollar amounts in thousands)

Source Category	FY 1986 Actual	FY 1987 Estimate	FY 1988 Estimate	FY 1988 Over(Under) FY 1987
OFFSETTING RECEIPTS				
Onshore Mineral Leasing				
Rents and Bonuses				
Oil and Gas.....	111,608	121,027	121,272	245
Coal.....	28,477	12,152	2,422	(9,730)
Geothermal.....	5,851	2,897	3,208	311
Oil Shale.....	0	3	3	(0)
All Other.....	94	909	915	6
Royalties				
Oil and Gas.....	673,195	595,850	664,313	68,463
Coal.....	137,641	178,271	205,765	27,494
Geothermal.....	10,757	19,953	21,064	1,111
Oil Shale.....	1,759	0	0	0
All Other.....	18,418	31,505	31,731	226
Subtotal.....	987,800	962,567	1,050,693	88,126
Noncompetitive Filing Fees.....	26,585	25,000	25,000	0
Grazing Fees.....	16,373	15,750	15,750	0
Timber Fees.....	206,413	205,623	211,690	6,067
Recreation Entrance/Use Fees.....	39,615	64,885	90,166	25,281
All Other Fees, Licenses and Commissions.....	11,000	9,933	12,648	2,715
Rent of Land and Structures.....	42,901	51,214	51,367	153
Sale of Land, Bldgs. and Other Property..	85,116	88,514	87,324	(1,190)
Awards for Indian Claims.....	6,590	50,000	50,000	0
Offsetting Interest.....	100,122	102,836	106,195	3,359
All Other Offsetting Receipts.....	105,639	152,853	200,550	47,697
Subtotal, Offsetting Receipts.....	1,628,153	1,729,175	1,901,383	172,208
UNDISTRIBUTED PROPRIETARY RECEIPTS				
OCS Mineral Leasing				
Rents and Bonuses.....	318,190	188,000	262,000	74,000
Royalties.....	2,513,187	2,428,000	2,830,000	402,000
Escrow Payout.....	1,884,597	1,286,842	594,440	(692,402)
Subtotal.....	4,715,973	3,902,842	3,686,440	(216,402)
Interest on Escrow Payout.....	1,071,602	901,390	604,123	(297,267)
Subtotal.....	5,787,575	4,804,232	4,290,563	(513,669)
GOVERNMENTAL RECEIPTS				
Mined Land Reclamation Fee.....	216,862	228,766	234,049	5,283
All Other Non-offsetting Receipts.....	25,543	34,259	45,315	11,056
Subtotal.....	242,405	263,025	279,364	16,339
UNDISTRIBUTED INTERFUND RECEIPTS				
Non-offsetting Interest.....	(5,852)	14,918	14,950	32
Total Receipts.....	7,652,280	6,811,350	6,486,260	(325,090)
	=====	=====	=====	=====

DEPARTMENT OF THE INTERIOR
 FY 1988 President's Budget
 Proposed FY 1987 Supplemental Appropriations

(Dollar amounts in thousands)

Bureau of Reclamation

Construction Program

Kesterson & San Luis Cleanup	[5,600] <u>1/</u>
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Geological Survey

Surveys, Investigations and Research

Financial Integration Review for Mgmt (FIRM)	2,000
FY 1986 Emergency Equipment Replacement	<u>597</u>
Subtotal	2,597

Fish and Wildlife Service

Resource Management

FY 1986 Firefighting Costs	2,800
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National Park Service

Operation of the National park System

FY 1986 Firefighting Costs	13,000
Park Police	<u>4,631</u>
Subtotal	17,631

Total, Department of the Interior	23,028
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1/ To be offset by transfer of \$5.6 million in unobligated balances from the Loan Program.

DEPARTMENT OF THE INTERIOR
FY 1988 President's Budget
Proposed FY 1987 Rescissions

(Dollar amounts in thousands)

<u>Bureau/Account</u>	<u>Adjusted Appropriation</u>	<u>Rescission</u>	<u>1987 Current Estimate</u>
Bureau of Land Management			
Management of Lands & Resources	483,610	(6,500)	477,110
Construction and Access	2,836	(1,600)	1,236
Land Acquisition	6,184	(2,700)	3,484
Subtotal		(10,800)	
Bureau of Mines			
Mines and Minerals	138,162	(16,594)	121,568
Fish and Wildlife Service			
Resource Management	317,492	(20,500)	296,992
Construction	26,513	(23,200)	3,313
Land Acquisition	42,425	(26,763)	15,662
Subtotal		(70,463)	
National Park Service			
Operation of National Park System	691,402	(7,950)	683,452
Historic Preservation Fund	24,250	(15,000)	9,250
Construction	88,095	(58,981)	29,114
Land Acquisition and State Assistance	117,220	(97,638)	19,582
[1987 Funds]		[64,450]	
[Prior Year Unobligated Balances]		[3,188]	
[Contract Authority]		[30,000]	
Subtotal		(179,569)	
Bureau of Indian Affairs			
Construction	88,601	(22,811)	65,790
Territorial and International Affairs			
Administration of Territories	78,224	(2,500)	75,724
 TOTAL RESCISSIONS		 (302,737)	
 [Current Authority]		 (272,737)	
[Permanent Authority]		[30,000]	

Table E

DEPARTMENT OF THE INTERIOR
Full-Time Equivalent Staffing
FY 1988 President's Budget

Bureau/Office	FY 1986 Actual	FY 1987 Estimate	FY 1988 Estimate	FY 1988 vs FY 1987
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Bureau of Land Management	9,775	9,925	9,783	-142
Minerals Management Service	2,041	2,009	2,012	+3
Office of Surface Mining Reclamation and Enforcement	1,034	1,050	1,021	-29
Bureau of Reclamation	8,185	8,150	7,875	-275
Geological Survey	9,596	9,639	9,619	-20
Bureau of Mines	2,312	2,343	2,212	-131
Fish and Wildlife Service	6,611	6,481	6,294	-187
National Park Service	15,844	16,426	16,324	-102
Bureau of Indian Affairs	13,580	13,650	13,500	-150
Territorial & International Affairs	46	55	55	--
Office of the Secretary	999	995	1,034	+39
Office of the Solicitor	360	337	370	+33
Office of the Inspector General	272	290	301	+11
TOTAL	70,656	71,350	70,400	-950
	=====	=====	=====	=====

MINERAL REVENUE PAYMENTS TO THE STATES

(Dollar amounts in thousands)

	FY 1986 Actual Payments	FY 1987 Estimated Payments	FY 1988 Est. Gross Payments	Proposed Legislation	FY 1988 Est. Net Payments
ALABAMA	251	244	264	33	231
ALASKA	16,546	16,087	17,420	2,154	15,266
ARIZONA	723	703	761	94	667
ARKANSAS	624	607	657	81	576
CALIFORNIA	33,064	32,146	34,810	4,304	30,506
COLORADO	41,814	40,653	44,022	5,443	38,579
FLORIDA	91	88	95	12	83
IDAHO	2,104	2,046	2,216	274	1,942
KANSAS	873	849	919	114	805
LOUISIANA	554	539	584	72	512
MICHIGAN	40	39	42	5	37
MISSISSIPPI	513	499	540	67	473
MONTANA	17,995	17,496	18,946	2,342	16,604
NEBRASKA	268	261	283	35	248
NEVADA	7,016	6,821	7,386	913	6,473
NEW MEXICO	107,236	104,259	112,898	13,958	98,940
NORTH DAKOTA	7,437	7,231	7,830	968	6,862
OKLAHOMA	2,572	2,501	2,708	335	2,373
OREGON	1,213	1,179	1,277	158	1,119
SOUTH DAKOTA	984	957	1,036	128	908
UTAH	27,530	26,766	28,984	3,583	25,401
WASHINGTON	326	317	343	42	301
WYOMING	152,773	148,530	160,838	19,884	140,952
MINNESOTA	3	3	3	0	3
TEXAS	9	9	10	1	9
SUBTOTAL	422,559	410,830	444,872	55,002	389,870
INTEREST ON LATE PAYMENTS			300		300
ADDITIONAL PAYMENTS _1/		23,895			
TOTAL	422,559	434,725	445,172	55,002	390,170

_1/ AMOUNT WITHHELD FOR OBLIGATION IN FY 1986 PURSUANT TO
GRAMM-RUDMAN-HOLLINGS DEFICIT REDUCTION ACT AND PAID IN OCTOBER
1987.